WINNING TOGETHER

Quess Corp Limited

Annual Report 2023-24

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STANDALONE

CONSOLIDATED

17TH ANNUAL GENERAL MEETING

16 September 2024 at 03:30 p.m
through video conference and other
audio visual means

To view the online version of the
Annual Report please scan the above QR code.

Forward-looking statements

Some information in this report may contain forward- looking statements regarding Company's expected financial position and results of operations, business plans and prospects etc and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward- looking statements are dependent on assumptions or basis underlying such statements. We have based these assumptions in good faith, and we believe they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Corporate Information

Board of Directors

Ajit Isaac
Non-Executive Chairman

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

Revathy Ashok
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

Gaurav Mathur
Non-Executive, Independent Director

Guruprasad Srinivasan
Executive Director & Group CEO

Investor Cell

Kundan K Lal
Vice President & Company Secretary
investor@quesscorp.com

Registrar

Link Intime India Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli (W), Mumbai – 400083,
Maharashtra, India
www.linkintime.co.in

Auditors

Deloitte Haskins & Sells LLP
Prestige Trade Tower,
Level 19 46, Palace Road,
High Grounds, Bengaluru – 560001,
Karnataka, India

Registered Office

3/3/2, Bellandur Gate, Sarjapur
Main Road, Bengaluru – 560103,
Karnataka, India
www.quesscorp.com

Bankers

Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank
State Bank of India
Standard Chartered Bank
The Federal Bank Limited
Union Bank of India
Yes Bank Limited

About Us

With over 3,000 partner clients, Quess Corp is one of the largest private sector employers in India and one of the top 5 staffing companies globally by headcount, helping the Company drive holistic growth and create immense value for its stakeholders.

Quess Corp is a leading business services provider that has undergone a remarkable transformation from a pure-play manpower staffing company to a technology-led business solutions company. We provide a host of managed outsourcing and technology-enabled services across processes such as customer care, after-sales service, sales and marketing, back office operations, staffing solutions, manufacturing, facilities and security management, HR & F&A operations, IT & mobility services etc.

With over 3,000 partner clients, Quess Corp is one of the largest private sector employers in India and one of the Top 5 staffing companies globally by headcount, helping the company drive holistic growth and create immense value for its stakeholders. Our international footprint, currently spread across 9 different countries, is poised to become a significant future growth driver. With focused investments in technology and the addition of over 70,000 manpower annually, we are well on our way to becoming one of the largest staffing companies globally in the years to come.

Our Operating Assets Management business will capitalize on India's infrastructure development agenda and the 6G rollout, contributing to asset maintenance industry growth. Quess Corp, the Workforce Management business will benefit from India's rapidly formalizing labor force as the fastest-growing major economy. Our Global Technology Solutions business aims to emerge as a leading BPM player through organic and inorganic growth, accelerating international expansion to drive high margins.

Established in 2007 and headquartered in Bengaluru, Quess has achieved a milestone of over 567,000 associates in 2024 and an unmatched geographic presence and scale, with more than 96 locations across India, South East Asia, North America, and the Middle East.

Purpose

To build a leading institution that drives productivity for clients by outsourcing and optimizing their key business processes and to be the preferred firm for employees, customers and investors alike.

Awards and Recognitions

Ranked 32 in 2024 & certified as a Great Place to Work for the 5th consecutive year

Ranked 46th in SIA's top 100 largest global staffing firms in 2023

Recognized as one of the Leadership Factories of India by the Great Manager Institute in 2024

Accredited for Inclusive Practices by Great Place to Work, March 2023 to March 2024

Among India's 40 best workplaces in Health and Wellness, 2023

Among the top 34 companies by Arogya World Healthy Workplace 2022, for championing Workplace Health

Ranked 2nd amongst India's largest employers by Burgundy Private Hurun India 500, 2022

Ranked 100th in the Business World Real 500 Ranking (non-financial sector), 2021

Top 5 Women Employers in India by Burgundy Private Hurun India 500, 2021

Awards and Recognitions (Clients)

Business & Digital Transformation: CII DX Awards 2023: Command Center – Hybrid Workforce Management

Ecommerce: Best Partner for FY24 Myntra

Ecommerce: Topped Partner Score Card with Swiggy & Porter

Collections: (American Express): AMEX Team for Winning Power of Blue Award

CII external HR assessment 2024 Significant achievement in HR excellence

Highlights of the Year

5,67,000+
Employees

3,000+
Clients

500+
PWD associates

1,00,000+
Women Employees/Associates

70
Domestic

13
International

Offices

34
Indian Cities

1 Million+
Devices repaired / refurbished by Digicare

TOP 2
Amongst India's largest employers by Burgundy Private Hurun India 500, 2022

5th year in a row
Certified a Great Place to Work in 2024

Great Place To Work®
Certified
JAN 2024-JAN 2025
INDIA

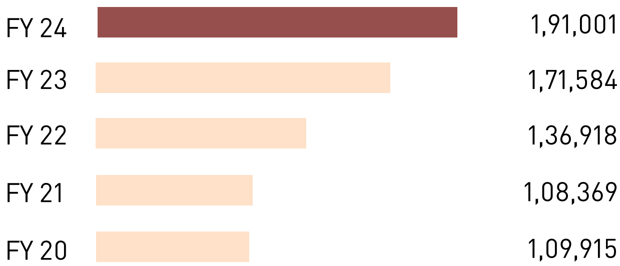
5 K+ Kgs
Paper responsibly disposed

20 K+ Kgs
E-waste responsibly disposed

Financial Highlights

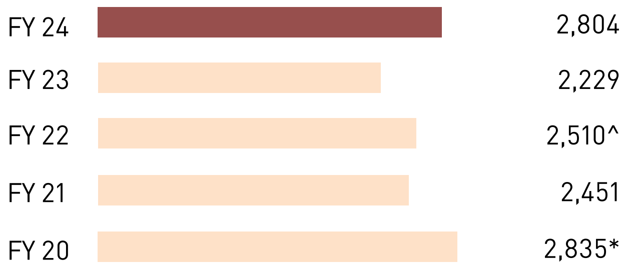
Revenue from operations

(₹ in millions)



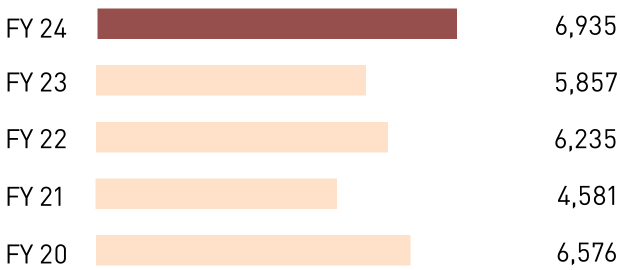
Operational PAT

(₹ in millions)



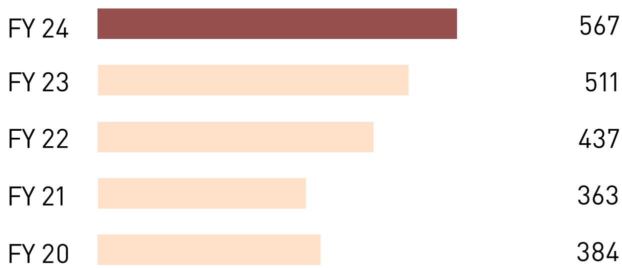
EBITDA

(₹ in millions)



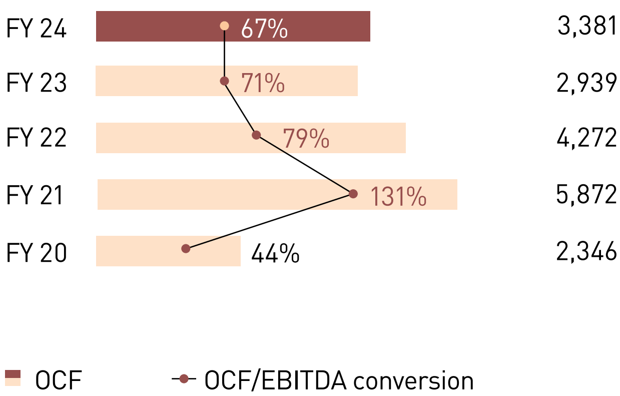
Total Headcount

(in thousands)



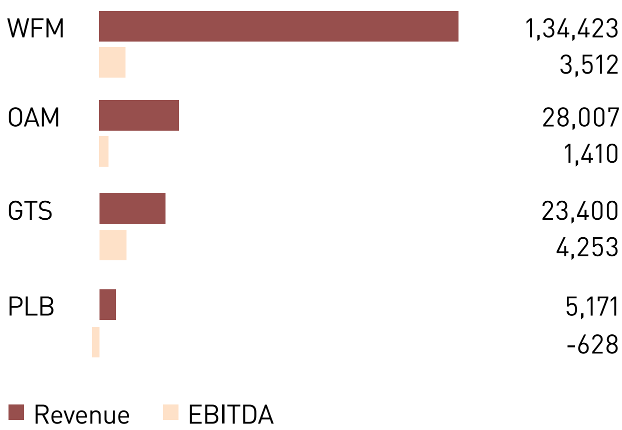
OCF and % of OCF/EBITDA conversion

(₹ in millions)



Revenue and EBITDA Mix

(₹ in millions)



^ Reported PAT for FY22 includes extraordinary ECL of ₹ 450 million for FY'22.

* Reported PAT for FY'20 is ₹ (4,319) million down 268% YoY including one off exceptional items on account of Goodwill/ intangibles impairment and change in tax regime

Quess Corp Business Model

At Quess, our ethos revolves around the belief that every service and product should be meticulously crafted to yield the utmost value for our clients. We merge our domain proficiency and talented workforce with a digital-centric mindset to provide tailored business solutions.

From comprehensive Integrated Facility Management Services to cutting-edge ManTech security solutions, and from Omni-channel Customer Life Cycle Management to advanced digital IT Services, we stand as India's premier business services platform. Our diverse array of offerings aim to enhance productivity and efficiency for our clients.

Workforce Management

General staffing
Retail, BFSI, Telecom, Industrial, etc, mostly grey collar talent

Professional staffing
services in India, APAC and North America

Taskmo **on-demand task fulfilment** platform

1

4

Product Led Business

foundit (formerly Monster APAC & ME)
Job portal

Qjobs
Blue collar hiring

Digicare
Installation and after sales services

WorQ
Workforce management platform

DASH
Employee benefit platform

Our operations are spread across four synergistic platforms

2

Global Technology Solutions

CLM Solutions
(Voice and Non-voice) delivered from India and Philippines

Non-Voice BPO
Collections and F&A outsourcing

Platform Business
Insurtech Platorm - North America
Payroll services

IT services in North America and India

3

Operating Asset Management

Facilities management solutions
For Commercial, Healthcare and education, Public utility space

Manned and electronic security

O&M services
For Industrial plants and Power plants

Telecom network

Workforce Management

We are among the top 46 global staffing firms by revenue providing workforce management solutions. We provide end-to-end HR services, including tailored solutions and managed workforce options, helping clients achieve enhanced operational performance.

taskmo

Taskmo is a tech-driven gig discovery platform facilitating enterprises, personal brands, and startups by engaging gig workers for tasks. Our goal is to democratize job opportunities worldwide. Focused on India's gig economy, we aim to make job access a fundamental right.

Services offered

Human Resources

- Recruitment and staffing
- Labor compliance management
- Core skills training and development

Sales

- In-store execution
- Feet on street execution
- Outbound and inbound logistics

IT & Staff Augmentation

- IT staffing solutions
- Workforce management tools

Marketing

- Market activation
- Visual merchandising
- Product promotion
- Field campaigns

Industries Served

BFSI	Healthcare & Hospitality	Telecom
FMCG	E-Commerce & Logistics	Retail
IT/ITeS	Agro	Manufacturing & Infrastructure

Key Highlights for FY24

420,000+
Associates

286
New clients added

273,000
WorQ Activated Users

1:425
Core to Associate Ratio

76%
Collect & Pay

Top 46
Largest Staffing Firms globally

Global Technology Solutions

We harness the power of technology to drive productivity and optimal efficiency in our clients' business processes.

Our Sub-brands

CONNEQT	Allsec Technologies	Qtek Systems	Mindwire / MFX	heptagon
Domestic BPM & CLM	International CLM, Payroll & HR Compliance	Integrated IT Services Company	Digital Platform for Insurance Solutions	Digital Transformation Services

Services offered

Platform Business

- Payroll processing and HRO
- Insurtech insurance processing platform

Customer Lifecycle Management

- Omni-channel CRM
- CRM digitisation
- Tele-sales support

Non-Voice BPO

- Collections
- F&A outsourcing

IT Services

- IT infra management
- Automation and RPA
- Cyber security
- IT services

Industries Served

- BFSI
- E-Commerce
- IT/ITeS
- Telecom
- Retail
- Agro

Key Highlights for FY24

₹4,250 million
Largest EBITDA Contributor

$90,833
Revenue per fulltime employee of Insurtech Platform

600
Clients availing payroll & compliance services

15.5 million
Payslips processed

16,500+
Full-time employees in CLM business

Operating Asset Management

30+ years of extensive industry experience with an expert team of professionals. We integrate technology with manpower provide specialised services, customized to meet the operational and maintenance requirements of our clients.

Our Sub-brands

Hofincons
A QUESS COMPANY
Industrial O&M Services

TERRIER
SECURITY SERVICES
A QUESS COMPANY
Integrated Security Solutions

VEDANG
CELLULAR SERVICES
A QUESS COMPANY
Telecom Network O&M Services

Services offered

Facilities and Security

- Integrated facilities management services
- Food services
- Landscaping
- Security
- Sterifumigation

Maintenance of Client Assets

- Asset management
- Industrial O&M
- IoT-based solutions
- Telecom network design, implementation and optimization
- Meter reading and billing

Industries Served

- BFSI
- Govt. & Public Utility
- Education
- Healthcare
- IT/ITeS
- Manufacturing
- Tele-communications

Key Highlights for FY24

~90,000
Associates

19,914
Security guards deployed

17,220
Hospital beds managed

49,000+
Student beds managed

53,587
OAM MAV

360 million sq. ft
Managed space

Product-led Business

foundit
Find the perfect job for you

A leading job portal in India, South East Asia and Middle East, foundit.in is a talent marketplace that bridges the gap between job seekers and employers. We provide end-to-end online employment solutions, offering services for job seekers and recruiters. Successfully launched its disruptive AI product foundit 2.0 for SEA and Asian market.

Services offered

For Recruiters / Corporates

- Database access services
- Job posting services
- Employer branding services
- Assisted search
- Virtual Career Fairs

For Job Seekers

- Advanced job search
- Resume services
- Custom Job recommendation
- Virtual Career Fairs
- Assessments

Blue Collar Talent Platform

Qjobs — Blue Collar hiring platform

WorQ — Workforce management platform

Dash — Benefits and Engagement platform

Platform has been built to manage key friction points in hiring, managing and engaging blue collar workforce. With its three products, Qjobs, WorQ, and Dash, the platform offers a comprehensive tech solution for large and mid-size companies to accelerate their workforce hiring, management, engagement, and non-compensation benefit needs.

Services offered

Digital hiring for Blue and Grey collar workforce

Mobile- first, vernacular workforce management and productivity platform

Benefits and Engagement platform for Blue and Grey Collar workforce

Key Highlights for FY24

23 million
Job applications

21 million
6-month active seekers

120 million
candidate profiles on the platform

53,000
Recruiters on the platform

Key Highlights for FY24

6.5 million
Job-seekers on Qjobs

4.5 million
Candidate-recruiter interactions

273,000
Activated Users in WorQ

172,000
Activated Users in DASH

DIGICARE SERVICES
A QUESS COMPANY

During the year, Quess Corp completed its divestment in Qdigi, a leading provider of installation and break-fix services. Qdigi serviced close to 2 million service requests every year, adhering to the highest service standards mandated by marquee partners. The business posted annual revenue of around ₹ 370 crores during FY24.

14,000+
Pin Codes served

650
Centres Service Network

94,000
Protection plans sold

Chairman's Message

Dear Shareholders,

The key building blocks of any economy are its infrastructure capacity, technology & innovation, efficient markets and a productive workforce. Since inception and over the last 17 years, Quess has transformed itself to become the largest business services provider and one of the largest domestic employers. This has resulted in Quess becoming a structurally important company in India's growth engine.

FY24 has been a special year. In addition to creating value for shareholders, the board of the company also approved a proposal to demerge into 3 separate listed entities. On the performance front, we closed the fiscal year with our best-ever revenues of ₹ 191,001 Mn and EBITDA of ₹ 6,935 Mn, registering 11% and 18% YoY growth, respectively.

India demonstrates strong macroeconomic indicators supporting rapid urbanization, a shift from farm to non-farm sectors, significant investment in physical infrastructure, and the formalization of the economy on the back of initiatives like Digital India and the JAM trinity. The continued pace of formalization will eventually bring more than 10 mn formal contractual workers under the social security net i.e. increased EPFO enrolments and widening bank account & mobile penetration by 2030. A key measure of formalization is the staggering growth of 90x in retail digital payments in India from 1,620 mn transactions in FY2012-13 to over 147,200 mn transactions in 2023-24 (till February 2024). Imagine the network effect that such scale of formalization will bring about to all sectors of the economy!

Furthermore, generating new employment in India is a top priority for the current Union Government in its "Viksit Bharat" vision. Our **WFM business** is supported with regulatory tailwinds emerging from key announcements in the FY25 Union Budget. The announcements for Employment Linked Incentives are encouraging which will enable employers such as Quess to invest in skilling and training of our youth. Together, these schemes expect to generate new employment for 28 mn individuals. We are optimistic about our contribution in the next phase of job creation in India's development journey.

Our **GTS business** is expected to continue on its growth trajectory propelled by India's technology industry (which is projected to reach USD 500,000 Mn by 2030 vs. USD 200,000 Mn in FY22, as per a NASSCOM report). Within this growth story, GCCs are playing a key role. India is home to 1,600+ GCCs that employs over 1.7 mn professionals and contributes $46,000 Mn to India's outsourcing industry in 2023.

Our **OAM business** is expected to greatly benefit from the operations and maintenance requirements from the rapid build out of infrastructure in India. We are witnessing significant spends by the government on capex and investment in public goods, with effective capex pegged at ₹ 15,000,000 million for FY25, up by 15%+ from FY24. India's road infrastructure is second largest in the world at 6.3 mn km, expected to grow at a CAGR of 36% from 2016 to 2025. This will in-turn significantly boost manufacturing capacity in the country, with a greater propensity to outsource.

Quess is uniquely positioned to leverage opportunities emerging from such favourable macroeconomic trends across its principal operating platforms.

Reflecting on our own journey, we raised close to ₹ 19,400 Mn in primary capital since inception, ~90% of which was raised in the IPO and IPP. We invested this capital in majority of our investments anchored on four principles of capital allocation: 1) organic growth, 2) inorganic growth, 3) prudent debt management and 4) cash distribution to shareholders. It is time to take stock of our progress.

Our journey can be mapped in 3 distinct phases – A) The "Roll-up" – Investment Phase, B) The "Shift" – Organic Growth and Consolidation Phase, C) Value Unlock Phase & Way Forward.

A) The "Roll-up"

Our investment phase focused on acquiring scalable businesses at attractive valuations. The roll-up model helped us integrate these acquisitions and create synergistic businesses with growth-oriented service lines. Each of our business segments is specialized with a decentralized operating model and empowered management. Some of the key acquisitions in each platform are highlighted below:

- ***WFM:*** Our acquisitions of Magna and Comtel enabled us to enter the high-margin IT staffing business in India and APAC, thereby contributing significantly to the WFM EBITDA. Post this, our focus has been to grow organically by capturing market share. ***In 2024, we rank #4 in the world by headcount, with a largest addition of workforce on an annual basis.***

- ***GTS:*** We acquired Conneqt and Allsec to create a digital-led CLM, BPM and HRO business. The combined strength of Conneqt and Allsec provided us a substantial base to expand our services, particularly digitally enabled services to customers internationally as part of margin expansion strategy. ***GTS is now the largest contributor of EBITDA to the Group.***

- ***OAM:*** We acquired Avon to grow it from a sub ₹ 100 Mn business to approximately ₹ 1,100 Mn in less than 15 years. This positioned us as one of India's largest integrated facility management businesses, managing ~370 mn sqft of sites and facilities. Along the journey, we added specialized service lines and verticals through our acquisitions of Terrier (Security Services), Manipal Integrated Services (Healthcare), Hofincons (Industrials) and Vedang (Telecom) – to eventually offer our customers a comprehensive suite of services for their sites and facilities. ***We are now the leading operating asset management company by the range of services we provide.***

- ***Foundit:*** In December 2021, Foundit raised ₹ 1,400 Mn in a funding round led by Volrado Venture Partners and Meridian Investments. ***We recently unveiled Foundit 2.0 with a revamped product experience, enriched database of circa 90 mn job seekers and AI-driven search with smart filters.*** We are now well underway in our roadmap to upgrade to Foundit 3.0 which is an exciting journey ahead.

At an aggregate level, the gestation period of our investments is more or less complete. Quess has 20 key investments with a net investment value of ₹ 21,818 Mn recorded in FY24##. This excludes divestments of Dependo Logistics (FY21), Simpliance (FY23), Qdigi (FY24) and Coachieve (FY25). Since FY18, our investments have recorded a cumulative PAT of ₹ 20,184 Mn, which represents an operating cash yield of 13-14%. We have near about achieved cash break-even from operations in a period of 7 years despite a 2-yr Covid disruption, and thereby creating value-accretive businesses.

The table below shows the performance of our key investments, representing ~90% of our total investments made till date. At an aggregate level, Purchase Price to FY24 EBITDA is at 3.1x overall with an average investment period of 7 years and an PAT CAGR of ~20% since FY18.

Acquisition	Purchase Price (₹ Mn)	EBITDA*** (at time of acquisition)	Reported EBITDA (FY24)	Purchase Price# to FY24 EBITDA
WFM - Magna, Comtel	3,540	464	1,089	3.3x
GTS - ConneQt, Allsec	6,902	1,395	3,885	1.8x
OAM - Avon, Hofincons, Manipal, Terrier, Vedang	9,385	789	1,385	6.8x
PLB - Foundit	2,004	-31	-568	1.4x*
Grand Total	**21,831**	**2,616**	**5,791**	**3.1x****

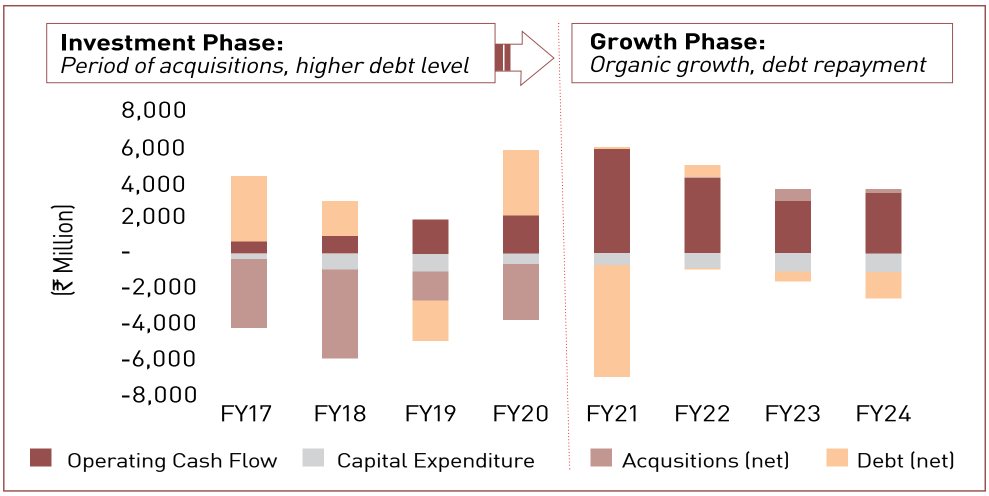
** represents revenue multiple*
*** excludes Foundit*
**** refers to first full year numbers post the acquisition*
 # Purchase Price represents the investment made by Quess, and is not reflective of the Enterprise Value
This is against total purchase price of ₹ 24,617 Mn, ~70% of impairment was undertaken during Covid years (FY20/FY21)

How has the roll-up model helped Quess?

- It has enabled us to build a market-leading business in two areas outside workforce management, one of which delivers our largest EBITDA today
- While we have an operating cash yield of ~13-14% from the business, at an aggregate level, the value of the businesses is significantly higher from its purchase price
- The diversified range of businesses provides our shareholders opportunities for growth and mitigates overall risk

B) The "Shift"

With the inorganic investment phase behind us, our focus shifted to organic growth and enhancing cash flow. From FY21 to FY24, Quess has not done any major acquisitions, and has achieved a 21% CAGR, reaching ~₹ 19,101 Mn (~$2,300 Mn) in revenues. EBITDA grew at 15% CAGR during the same period. This shift is evident in the evolution of the cash flow statement.



Note: Second tranche of Conneqt acquisition of ₹ 2,080 Mn was invested in FY22, but has been considered in FY18 (at the time of first investment)

By rationalizing our investments and positioning it for growth, we have reaped the benefits of our investments, yielding returns for our shareholders through:

i) **Divestments:** In addition to the cash yield generated from operations, we divested non-core businesses with significant IRR – IRR of 28%, detailed in the table below.

Company	Investment (₹ Mn)	Realized Value (₹ Mn)	IRR (%)
Qdigi Services Ltd.	354 *(FY19 & FY20)*	800 *(FY24)*	15.2%
Coachieve Solutions	135 *(FY20)*	224 *(FY25)*	10.3%*
Simpliance	45 *(FY17, FY18 & FY19)*	636 *(FY23)*	71.0%
Dependo Logistics	20 *(FY18)*	100 *(FY21)*	75.7%
Total	**554**	**1,760**	**27.7%**

* represents IRR for Allsec

ii) **Prudent Debt Management:** We minimized long-term borrowings, becoming a net cash company, underscoring our razor-sharp focus on cash flows. Our 3-yr average OCF/EBITDA conversion of 73% enabled us to reduce long-term gross debt from ~₹ 11,400 Mn in FY20 to ₹ 3,695 Mn in FY24.

iii) **Dividends:** Post-investment phase, we distributed dividends totaling ~₹ 5,500 Mn since FY21, including a dividend of ₹ 10 per share (final dividend of ₹ 6 per share subject to shareholder approval) announced for FY24 – the highest ever dividend payout.

Taken together, we have repaid debt and paid dividend to the extent of ₹ 13,000 Mn since FY21.

C) Unlocking Value – The Way Forward

In February 2024, we announced the demerger of Quess Corp into three entities: Quess Corp, Digitide, and Bluspring. The segments or underlying businesses of these future companies are now poised to operate independently, potentially unlocking value vis-a-vis being part of a conglomerate. We believe this demerger will aid in value discovery through:

a) Simplified corporate structure with greater management focus
b) Flexibility to pursue independent strategies
c) Alignment of management rewards with performance
d) Enhanced ROE levels
e) Enhanced investor appreciation of underlying businesses
f) Business tailored capital allocation strategy

Our objective is to build world-class companies, and we believe this demerger is a crucial step to that end.

Quess *(Demerged Co):*

In the long-term, Quess has the opportunity to become the largest staffing company globally by headcount. To enable this vision, we will make investments in the near to medium term:

- Expand International Staffing business and increase EBITDA contribution to 30%.
- Invest in disruptive digital solutions.
- Grow the IT Staffing business at 2x rate of the IT Services market.

Digitide *(Resulting Co 1):*

Our goal for Digitide is to become a $1,000 Mn top-line BPM company with significant global operations. We will achieve this vision by taking the following strategic actions:

- Expand our international BPM revenue share to 20%
- Sustain current level of EBITDA margins
- Accelerate growth of platform-based HRO services to 30% annually

Bluspring *(Resulting Co 2):*

The strategic vision for Bluspring is to be the #1 FMS company in India and grow our Foundit business to $100 Mn of Annual Revenue Run-rate.

For FMS and industrial services, our aim is to grow at 3-4x of India's GDP growth and increase overall EBITDA margins by 100bps. This will be underpinned by the following key drivers:

- Grow revenue share from manufacturing and industrial sector to 25%
- Increase tech-enabled facility management revenue share to 20%
- Hyperscale food services business by 4-5x

People Initiatives

In our continuous pursuit of excellence and fostering a diverse, inclusive, and growth-oriented work environment, we have made significant strides across various initiatives. Our dedicated efforts have resulted in women constituting 37.1% of our workforce, reflecting our commitment to gender diversity and inclusion. In fact, three of our leaders were selected in the Top 10% club in the Jombay 1000 Women Leaders Program – a 4.5 month intensive leadership program.

Our commitment to excellence and employee well-being is recognized through several prestigious accolades. We have been certified by Great Place To Work (GPTW) for the 5th consecutive year, honored as Leadership Factory of India by the Great Manager Institute and ranked #32 among the top 40 workplaces in Health and Wellness by GPTW. These achievements make us a proud Quessian family.

We take great pride in our employees as they lay a solid foundation for Quess to reach new heights. As we continue to build upon our initiatives, we remain committed to fostering an environment of learning, enjoyment, and unparalleled success.

CSR activities

Any successful business should give back to society, particularly helping the underprivileged by improving their lives in areas of education and healthcare.

Education

Through our Quess Foundation, we work with a network of 75 state government primary and high schools and cover 16,000 children across the states of Karnataka and Tamil Nadu. The Foundation runs multiple school programs from upgrading school resources, to providing clean drinking water and sanitation infrastructure. One such program is Student Enrichment Program which provides among other things, learning resources through education kits, scholarships for talented students, and computer-aided learning. The Foundation maintains 36 computer labs with a coverage of →6,000 students in 30+ schools. In 2024, the Foundation awarded 81 scholarships to support education up to post-graduation and included 14 visually impaired awardees.

Our teacher mentoring program helps train teachers to promote computer-based learning, life skills, pyscho-social care and infirmary management.

Healthcare and Wellbeing

The Foundation through its network of schools, also promotes health and wellness of the student community. More than 13,500 students were screened for physical examination, dental treatment, eyesight/vision correction, education on sanitation, screen time and reproductive health, and mental health counselling.

As we embark on this new journey of demerger, we again thank our employees for all their effort, our customers for being partners in our growth and our investors for having confidence in our vision.

QUESS WINNING TOGETHER	digitide	Bluspring
Become the largest staffing company globally	**$1Bn+** revenue BPM and customer experience company	Leverage emerging opportunities in building a new India Scale foundit to gain market share

Thank you,

Ajit Isaac
Chairman

Message from Executive Director & Group CEO

Dear Stakeholders,

The financial year 2023-24 has been remarkable for our business. Our year-long initiatives aimed at profitable growth and consolidation of operations, have culminated in our best-ever operating results, marked by the highest annual EBITDA. We have maintained a trajectory of predictable, non-linear profitable growth, with seven consecutive quarters of sequential EBITDA increase—46% growth in EBITDA compared to 15% revenue growth over the same period, coupled with stronger cash conversion cycle, reduced debt level and consistent return to shareholders via dividends.

Business Highlights

Quess Corp ended the year with over 567,000 headcount, adding 56,000 headcount during the year; Quess Corp's performance in key growth sectors has been a significant achievement. Despite the IT sector's softness, we secured 737 new contracts, achieving an 11% YoY revenue growth. Our focus on cost reduction and productivity improvement through investment in technology and process automation reduced the core headcount from 5,500 in Q1 to 5,300 in Q4.

Our **WFM** vertical's performance has been outstanding. Staffing Industry Analysts (SIA) ranked us 46th globally in 2023, up from 54th in 2022. The platform's headcount reached 452,000, driving a 14% YoY revenue growth. Workforce formalisation was a key growth driver, with approximately 30% of clients using outsourced staffing for the first time. The EBITDA margin remained stable at 2.6%.

In General Staffing, we crossed the 400,000 milestone and are now among the top 5 global staffing companies, aspiring to become the largest. Our vertical-focused strategy yielded results with 60,000 associates added, supported by retail, manufacturing, and telecom growth. The manufacturing and industrial headcount neared 67,000, with an impressive ~50% YoY increase, ranking third in headcount contribution after BFSI and retail. We believe India's manufacturing sector will continue to boom, driven by increased capex and the 'China+1' strategy. In FY24, 28% of our new hiring and 64% of all associates onboarded were deployed in Tier 2 and Tier 3 cities, reflecting our extensive sourcing and deployment capabilities across geographies.

Despite competitive margin pressures and a significant flat fee margin structure, our 'Value Added Services' showed positive results, with gross margin growth of 23% YoY to ₹ 675 million. Collect and Pay headcount stood at 78%, enabling better working capital management.

The IT Staffing business saw visible softness, with workforce additions in India mainly through Global Capability Centers (GCC), now employing over 1.7 million people. We continue to invest in IT staffing sales and recruitment to capture a larger market share in GCC.

GTS maintained its remarkable growth trajectory with focused sales and client retention, crossing the ₹ 4 billion EBITDA milestone, achieving the highest-ever EBITDA of ₹ 4.25 billion—a 21% YoY growth. The non-voice BPO vertical grew significantly, strengthening our leadership in the collections business, which grew by 25% YoY through mobile apps and digital tools. The high-margin international Customer Experience Management (CXM) business of Allsec continued to grow, with a 40% YoY increase, now accounting for 72% of overall CXM revenue, up from 69% in FY23.

The platform-based Employee Experience Management (EXM) vertical of Allsec enhanced market leadership, processing 15.5 million payslips in FY24. Like CXM, the platform-based EXM vertical's share of the international order book increased to 57% in FY24 from 45% in FY23.

Our focus remains BFSI, manufacturing, retail, and healthcare, with value-added services like Customer Experience (CX), Revenue Cycle Management (RCM), Finance & Accounts (F&A), Human Resource Outsourcing (HRO), and upselling to top clients powered by digital tech solutions such as conversational AI, sentiment analysis, agent assist, and bots.

OAM saw an 18% EBITDA growth in FY24 compared to an 8% YoY revenue growth. This was driven by our focus on margin expansion and productivity improvement through rationalising low-margin contracts, shifting towards more integrated services, and reducing the cost to serve. The business mix positively shifted, with increased share of Food and Beverage (F&B) and Telecom. F&B business saw an 18% gross margin improvement on an annualized basis with a 10% revenue growth YoY.

The telecom active infra services business achieved its best-ever revenue and EBITDA, up 30% and 32% YoY, respectively, driven by peak 5G deployments, further penetration in 4G, and new IoT projects. In FY25, the facility management business will drive growth through tech-enabled integrated offerings, specifically focusing on BFSI, healthcare, and public utility verticals.

PLB saw foundit achieve operational breakeven during the year, reducing burn from ₹ 0.9 billion in FY23 to 0.6 billion in FY24, while Q4-exit ARR crossed ₹ 2 billion. We launched our disruptive AI product, foundit 2.0, for the SEA and Asian markets, migrating 100% of our single geography user customers to 2.0. This provides recruiters with significantly improved profile relevancy, access to talent on and off the market, enriched candidate profiles with intelligent insights, AI-powered contextual search, and personalised outreach.

Operational metrics for both candidates and recruiters remain positive, with 21 million profile updates (up 78%), 23 million job applications among 120 million candidate profiles, and 53,000 recruiters on the platform, with NRR at 123% in the last quarter of FY24. We will continue to focus on enterprise sales with foundit 2.0 to aid in sales wins and pipeline growth.

People

As a people-centric business, our greatest resource is our employees, and we are committed to providing an exceptional employee experience throughout their hire-to-retire journey with us. Our latest pulse survey, covering 156,000 associates, showed that 88% rated themselves as 'very satisfied' or 'satisfied', up from 85% the previous year. Furthermore, 78% of our employees are 'likely' or 'very likely' to recommend Quess to their peers.

Our efforts have led to significant achievements and external recognition. We have been certified as a 'Great Place to Work' for the fifth consecutive year, underscoring our commitment to a superlative work environment. Quess also ranked among the best places in Health and Wellness and was recognised as a Leadership Factory by the Great Management Institute, reaffirming our focus on employee well-being, career growth, and development. Our inclusivity and diversity efforts are evident—we employ over 100,000 women and over 500 differently-abled individuals.

In FY24, Quess' MSCI ESG rating improved to BB from B in FY23, with our ESG philosophy deeply integrated into our operations. Quess Foundation distributed educational kits to over 14,000 students, provided life skills education and annual health screenings to more than 12,000 students, and renovated infrastructure in 75 schools benefiting over 15,000 students. We also planted 251 trees and responsibly disposed of over 1,500 kg of paper waste and 4,000 kg of food waste.

Corporate Structure Simplification

Aligned with our objectives, we continued to simplify our corporate structure in FY24 with several key steps:

Divestment of non-core assets: We completed the divestment of Qdigi Services at an enterprise value of ₹ 0.8 billion, resulting in an aggregate gain of ₹ 0.4 billion, yielding an IRR of ~15%. Additionally, we divested the Labour Law Compliance division of Allsec at an enterprise value of ₹ 0.27 billion, yielding an IRR of ~12%.

Corporate structure streamlining: Conneqt, Greenpiece and MFX India have amalgamated into Quess post-NCLT approval in Q3 FY24.

Strategic consolidation: We combined Heptagon Technologies with Conneqt Digital practice to strengthen our market presence and enable a joint go-to-market strategy in the digital space under the GTS platform. We invested in Heptagon to develop solutions and create a sustainable impact in the digital front for business enterprises.

Eliminating non-performing units: We consolidated loss-making business units such as BCPL, TaskMo, and North America to eliminate burn and effectively turn around these businesses.

Way Forward

On 16 February 2024, we announced a three-way demerger of Quess Corp into three independent listed entities, each capable of executing its business strategies. We are confident this will significantly augment the value creation journey, providing each business with enhanced management focus and an optimal capital allocation strategy.

The process is on track and is expected to be completed within 12-15 months of the announcement.

As I look forward, I remain confident in our continued endeavour to create impact for all our stakeholders—clients, employees, and investors—and scale new heights. I extend my gratitude to the Board for their guidance, to every Quessian for their passion, perseverance, and commitment, and to our shareholders for their trust and support.

Sincerely,

Guruprasad Srinivasan
Executive Director and Group CEO

Creating Sustainable Value

Creating value for sustainability

In our journey towards sustainability, we intertwine business aspirations with a profound commitment to creating lasting value for all stakeholders. Our mission is not just profitability but also the cultivation of meaningful employment opportunities that resonate across society's spectrum. Our ethos is anchored in principled conduct, wherein every step forward echoes our dedication to societal betterment.

Through our distinctive operational model, with 5,67,000+ individuals, whom we fondly refer to as 'Quessians', are empowered to co-create enduring economic and social value, embodying the essence of sustainability in action.

Our ESG Framework with highlights for FY24

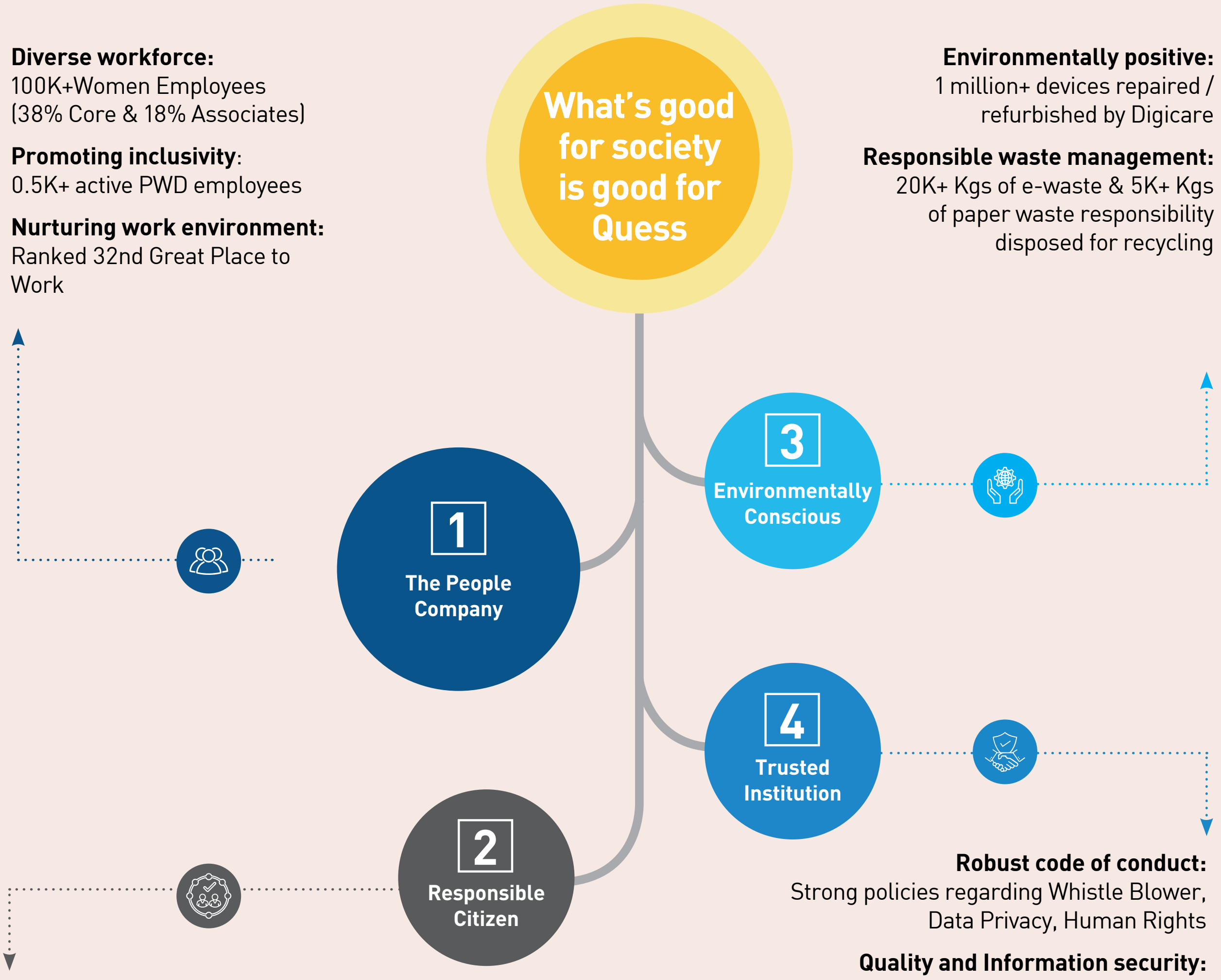
Diverse workforce:
100K+Women Employees
(38% Core & 18% Associates)

Promoting inclusivity:
0.5K+ active PWD employees

Nurturing work environment:
Ranked 32nd Great Place to Work

Environmentally positive:
1 million+ devices repaired / refurbished by Digicare

Responsible waste management:
20K+ Kgs of e-waste & 5K+ Kgs of paper waste responsibility disposed for recycling



Robust code of conduct:
Strong policies regarding Whistle Blower, Data Privacy, Human Rights

Quality and Information security:
Quess Corp is ISO 37001: 2016, ISO 27001: 2013 and ISO 9001: 2015 certified

Data Privacy and Cyber Security:
Cyber Security Council with C-suite level oversight

ESG Evolution: Specific ESG targets to drive and implement our ESG strategy

School Enhancement Program:
75 Schools impacting 16K+ Students

Student Enrichment program:
15K+ students received Education Kit

Health and Wellbeing: 13K+Student have undergone comprehensive Health Screening

The People Company

Diversity & Inclusion

At Quess Corp, diversity and inclusion are foundational principles deeply ingrained in our company's ethos, far beyond mere rhetoric. We take immense pride in nurturing an inclusive workforce, wherein women currently comprise 38% of our core employees. Our commitment extends to elevating this representation to 50% by 2025. With operations spanning nine countries and serving over 3500 customers, we champion equal opportunities for individuals from diverse industries and backgrounds, embracing variations in regional, religious, educational, and socioeconomic perspectives.

Given the richness of our diverse workforce, practising inclusivity becomes not just a priority but a necessity. At Quess, we've cultivated a culture of positivity and inclusiveness, evidenced by our impressive 85% happiness index, as determined through rigorous anonymous employee surveys conducted by Nikki, our Chief Listening Officer AI Bot. Moreover, 46% of our people managers have been recognized as Great People Managers by the Great Manager Institute, and Quess has earned the esteemed title of Leadership Factory for 2024-2026. With five consecutive certifications as a Great Place to Work, we've consistently demonstrated our commitment to fostering an inclusive workplace. Accredited for our inclusive practices by Great Place to Work (2023-2024), we're honoured to be recognized among the Top 40 Best Places to Work for Health & Wellness for two consecutive years. Notably, we've achieved an outstanding 41.2% reduction in attrition over the past three years, a testament to our unwavering dedication to our diverse and valued workforce.

As a staunch proponent of equal opportunity, Quess has

100K+
Women Employees

38%
in Core

18%
in Associate roles

3
QuesSHEians secured their spots in Top 10% Club of Women Leaders nationwide

28%
of women associate are from Tier 3 cities

0.5K+
PWD Associates

implemented a comprehensive suite of initiatives aimed at fostering a work environment free from discrimination, with a special focus on empowering women and underrepresented groups. One of our flagship programs, QWEEN 3.0, is dedicated to enhancing the representation of women within Quess's core workforce. By addressing various facets of women's empowerment, including psychological, economic, educational, and societal aspects, QWEEN 3.0 is instrumental in cultivating an inclusive workspace where women can flourish and realize their full potential.

Recognizing the significance of nurturing future leaders, Quess has selected six women leaders to join the Top 10% Club of Women Leaders under the 1000 Women Leaders Club. This initiative aims to propel a cohort of talented and driven women professionals into managerial and leadership positions. Among the six nominated women leaders, three have achieved membership in the Top 10% Club of Women Leaders across all organizations in India.

In a concerted effort to further empower women in middle management roles, Quess has launched the GROW 2.0 program—a digital, app-based learning intervention. This initiative is designed to enhance managerial and leadership capabilities, bolster business acumen, and foster holistic well-being. With active participation from 88 Quessians across all business units, the program has received overwhelmingly positive feedback.

Quess's dedication to diversity and inclusion transcends internal boundaries. The introduction of the "HER" Employee Referral policy exemplifies this commitment by exclusively encouraging Quessians to refer trusted female contacts, ensuring the inclusion of reliable and recommended individuals. This mutually beneficial initiative not only enriches the organization but also broadens the pipeline of women in the workforce.

Acknowledging the unique challenges faced by new mothers, Quess has developed tailored programs to support their seamless reintegration into the workforce. From flexible work arrangements to less demanding projects and mentorship opportunities, these initiatives underscore the company's profound understanding of the needs of working women and its unwavering commitment to cultivating a balanced work environment.

At the core of all these endeavors lies Quess's steadfast dedication to nurturing a safe and harassment-free workplace. The company's Prevention of Sexual Harassment (POSH) policy establishes a clear and comprehensive framework for defining unacceptable behaviors, leaving no room for ambiguity. This unwavering zero-tolerance stance against actions that jeopardize employee well-being underscores Quess's commitment to fostering a harmonious and inclusive work culture.

Quess's holistic approach to diversity and inclusion, which includes targeted initiatives, inclusive policies, and a resolute focus on employee well-being, sets a shining example for other organizations to follow. By empowering women and underrepresented groups, the company not only enhances its own workforce but also contributes to the broader mission of fostering a more equitable and diverse business environment.

Mobilizing talent for Secure jobs

At Quess, our role extends far beyond mere staffing and recruitment; we're agents of transformation, dedicated to building a workforce ecosystem that is both fair and sustainable. The Indian staffing and recruitment market, valued at US $18.06 billion in 2022, is projected to reach US $48.53 billion by 2030, with an expected growth rate of 13.2% from 2022 to 2030.

Our commitment to nurturing local talent goes beyond mere words; it's a game-changer. By prioritizing the recruitment and development of local citizens, we not only enhance

employability but also reduce reliance on expatriate labour, thereby catalysing the growth of the Indian economy.

With an employee headcount exceeding -567K+ in FY24 and serving the needs of over -3.5K clients across four platforms, our impact extends beyond the numbers on our payroll; it's about the meaningful difference we're making in people's lives.

Looking ahead, the formalization of the Indian economy heralds a significant shift in workforce dynamics, with a forthcoming wave of migration from the informal to the formal sector. Introducing JOBSPOT by Quess, a pioneering initiative set to launch in densely industrialized areas nationwide. JOBSPOT offers a streamlined platform for job seekers to connect with potential employers and secure immediate job opportunities. Initially launching in Hosur, Tamil Nadu, and Narsapura, Karnataka, our primary goal is to establish JOBSPOT as the premier destination for efficient and effective job placement, with a focus on catering to blue-collar workers, entry-level job seekers, and individuals in need of immediate employment.

JOBSPOT is transforming the job-seeking experience by eliminating the hassles of lengthy application processes and uncertain waiting periods. Offering on-the-spot job interviews and immediate job offers, many applicants secure employment within just 30 minutes of walking in. The newly opened locations in Narasapura, Karnataka, and Hosur, Tamil Nadu, are already serving over 200 walk-in job seekers daily, providing a beacon of hope for many.

Digitizing job discovery

In our unwavering commitment to advancing job discovery through digital innovation, we're revolutionizing the process for both blue-collar and white-collar workers alike. Far from being just another generic job board, our platforms, such as QJobs and foundit, are meticulously crafted to empower individuals across all levels of expertise.

QJobs isn't merely a tool; it's a dynamic gateway for blue-collar workers to connect with opportunities efficiently and intuitively. Boasting over 7.3 million recruiter-candidate interactions and 7.7 million active job openings, QJobs is reshaping the landscape of job-seeking in the digital era. And its inclusivity knows no bounds; whether you're a seasoned professional or just embarking on your career journey, QJobs welcomes you with open arms, accessible across devices and available in multiple Indian languages.

On the other hand, foundit 2.0 is revolutionizing white-collar recruitment by simplifying the process for recruiters. Its Smart Insights feature enables streamlined candidate sourcing, offering comprehensive profiles and valuable career insights. Powered by AI, the Magic Search feature delivers personalized results tailored to each organization's unique needs, while AI-generated emails and personalized outreach ensure meaningful engagement. Advanced folder management simplifies candidate organization and sharing, leading to significant boosts in productivity and cost reductions for early adopters. With foundit, recruiters are embracing a new era of recruitment that is efficient, personalized, and highly effective. Over 150 leading companies granted early access to foundit's recruitment solution have reported a remarkable 80% increase in productivity and a 4.5x reduction in hiring costs.

6.5 Million
Candidates Registered

2 Million
Job openings

1.1 Million
Candidates upskilled

Responsible Citizen

ESG beyond organizational boundaries

Looking beyond our organization's boundaries, we've embarked on a journey to extend the principles of Environmental, Social, and Governance (ESG) into the broader ecosystem where we operate. Recognizing that our impact extends beyond our own operations, we've integrated ESG considerations into our relationships with vendors. Our vendor onboarding process now includes a clear expectation of alignment with our ESG values and adherence to our code of conduct. We're proud to report that we're making significant strides toward our goal of having 100% new vendors who share our commitment to ESG.

Furthermore, 14.78% of our materials now come directly from Micro, Small, and Medium Enterprises (MSMEs), reflecting our dedication to nurturing and supporting local businesses. This commitment amplifies the positive ripple effect of our ESG efforts beyond our organizational boundaries, contributing to the sustainable development of the communities we serve.

Societal Impact

At Quess Foundation, we're committed to driving meaningful change through a combination of innovation and unwavering dedication. Rejecting conventional approaches, we prioritize impactful, community-driven solutions. As the CSR arm of Quess Corp Limited, our mission is clear: to act as a catalyst for profound societal transformation throughout India.

Our initiatives, firmly rooted in the principles of empowerment and sustainability, are centered around two key pillars: Education and Health Care through collaborative partnerships with state governments, our School Enhancement Program aims to revolutionize the educational landscape by elevating the quality of government-Pre-primary, primary and high schools. We go beyond mere academic improvement, striving for holistic development and nurturing young minds to reach their full potential.

Quess Foundation is currently working with 75 schools and 16K+ children across Karnataka and Tamil Nadu overall we supported 85K+ students. By prioritizing health and education, we envision a future where every individual has the opportunity to thrive, thereby building a resilient workforce and cultivating sustainable livelihoods for the most vulnerable segments of society. For comprehensive details of our CSR initiatives and their impact, please refer to the CSR section of this Annual Report, located on page 29.

Environmentally Conscious

At Quess, our operations naturally maintain a low carbon footprint, reflecting the inherent nature of our services. However, we're committed to enhancing our environmental stewardship and promoting sustainability across our operations. Recognizing the urgent need for action, the UN's Intergovernmental Panel on Climate Change emphasizes that global greenhouse gas emissions must peak by 2025 and decline significantly thereafter, aiming for a 43% reduction by 2030 and 60% by 2035 compared to 2019 levels, with the ultimate goal of achieving net zero CO_2 emissions globally by 2050.

The recent COP28 conference underscored the importance of transitioning away from fossil fuels in our energy systems. Central to this transition is the Global Stocktake (GST), a mandated review of countries' commitments under the Paris Agreement to ensure alignment with its objectives. COP28 calls for an accelerated and equitable shift toward net zero emissions by 2050, emphasizing the need for decisive action in this crucial decade. In line with these imperatives, our strategies at Quess Corp involve reducing waste, optimizing energy usage, and advocating for eco-friendly materials. Moreover, we are actively transitioning to renewable energy sources to further diminish our environmental impact.

Our dedication goes beyond meeting standards; it's about harmonizing with nature's rhythms and fostering a world where every action nurtures the earth. We weave our commitment to sustainability into the fabric of global initiatives like the Sustainable Development Goals, Global Reporting Initiative, and Carbon Disclosure Project, embracing them as guiding stars in our journey toward ecological harmony. At Quess House, we've cultivated a mindful approach in our canteen, transforming food waste into nutrient-rich compost that replenishes the soil. Alongside this, we've handled paper and e-waste responsibly, diverting them from landfills and giving them new purpose.

In the past year, we've tended to over 9.8 million square feet of greenery across India, not just for aesthetics, but to create sanctuaries for diverse plant and animal life, and to combat the heat-island effect in our urban landscapes. In measuring our carbon footprint, we're guided by nature and wisdom of the land. Following stringent standards set by the GHG Protocol, IPCC guidelines, and the India GHG Inventory Programme, we meticulously gather data, ensuring every calculation resonates with ecological truth. From fuel consumption to energy usage, every detail is a thread in the tapestry of our environmental stewardship. Last year, our total emissions amounted to 20,048.18 tons of CO_2 equivalent, a number that fuels our resolve to tread lighter on this planet we call home.

1 Million+
devices repaired/refurbished byDigicare

5.3 K+kg
of paper waste responsibly disposed

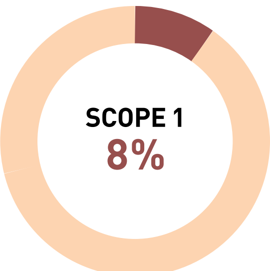
9.8 Million+ sq.ft
of green space maintained

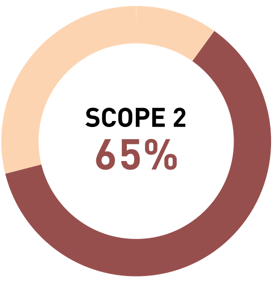
79,987.13 GJ
Energy consumption

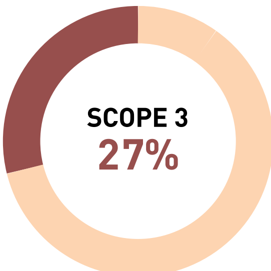
20 K+kg
of E-waste responsiblydisposed

250+
Trees planted

Emissions







Scope 1 : 1,647.31 tCO_2e
Scope 2: 12,946.79 tCO_2e
Scope 3: 5,454.08 tCO_2e
Total: 20,048.18 tCO_2e

Trusted Institution

Corporate Governance

At the heart of our corporate governance lies a profound commitment to our values and the relationships we cherish with our stakeholders. We don't just prioritize integrity and transparency; we believe that they're the bedrock of trust within our company. In every facet of our operations, we hold ourselves to the highest standards of corporate governance. Our Board isn't just a group of decision-makers; they're guardians of our integrity, fostering governance practices that set us apart. Independent committees within the Board continuously scrutinize and refine our governance standards, ensuring they stand tall among industry benchmarks.

Our policies aren't just documents; they are guides that shape our conduct. From business ethics to risk management, each policy is a testament to our unwavering commitment to doing what's right. And when those policies are violated, we don't hesitate to act swiftly and decisively, because integrity knows no compromise.

Furthermore, our board sub-committees—the Audit Committee, Risk Committee, Ethics Committee, and CSR Committee—are more than mere oversight bodies; they are champions of integrity, ensuring that our governance framework remains robust. These committees embody the sincerity and dedication that define our organization's commitment to exemplary governance

Information Security and Data Privacy

Acknowledging the paramount significance of information security and data privacy, our company has erected formidable defences to safeguard our invaluable data assets. Through meticulous policies and guidelines, we ensure unwavering compliance and security as we navigate the ever-expanding realms of our digital landscape. These protective measures extend to all facets of our ecosystem—our employees, customers, partners, vendors, job applicants, and all individuals whose personal data falls under our stewardship.

Our commitment to information security and data privacy isn't just a checkbox; it's woven into the very fabric of our culture. We conduct mandatory digital training sessions to instil a deep understanding and unwavering adherence to these standards across all employees. Moreover, our Privacy Statement, prominently featured on our website, offers transparent insight into how we handle personal information and affirms the rights of our stakeholders concerning data privacy.

Embracing a proactive approach to cybersecurity, we harness the power of Security Information and Event Management (SIEM) tools that adhere to ISO 27001 standards. These sophisticated tools empower us to methodically fortify our information fortress, tirelessly monitoring our network for any signs of intrusion.

To bolster the security of our mission-critical applications and support our dispersed workforce, we conduct regular Vulnerability Assessment Penetration Testing (VAPT), swiftly remedying any detected vulnerabilities. Furthermore, migrating our applications to the cloud not only enhances our operational resilience but also underscores our commitment to adaptability and innovation in safeguarding our digital assets.

Moreover, to steer our cybersecurity initiatives with precision and depth, we've convened a dedicated council comprising esteemed stakeholders, led by our Chief Digital Officer. This council, fortified by platform and business IT leaders, convenes regularly to scrutinize and fortify our security posture and protocols, ensuring we remain steadfast and adaptive in safeguarding our digital realm against emerging threats.

Quess Corp ISO Certification

ISO 9001: 2015,
ISO 14001:2015,
ISO 45001:2018,
ISO 27001: 2013
ISO 37001: 2016

Nil Complaints received BY Data Information Officer

Safety Incident Management Tool for resolution of Incidents.

Unified Help Desk (UHD) for resolution of workforce grievances

Corporate Social Responsibility

Quess Foundation, the socially conscious CSR initiative of Quess Corp Limited, is committed to creating meaningful change, and works as a catalyst, to create a deep societal impact in India with a special focus on education and health.

School enhancement program, a flagship initiative of Quess Foundation, undertakes the responsibility of 75 schools in Karnataka & Tamil Nadu towards achieving holistic development.

A few significant programs under the School Enhancement Program include:

STUDENT ENRICHMENT PROGRAM

Education Kit

We empower children with essential educational supplies like school bags and notebooks, affirming the importance of their education and instilling dignity. This annual provision has led to a significant rise in attendance rates, as children are motivated to attend school regularly, knowing they have the support to succeed.

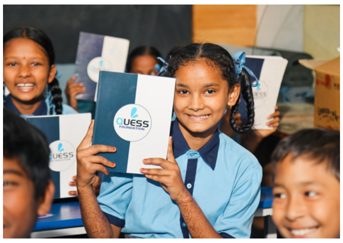
Reach:

47 Schools

14,058 Bags

82,604 Notebooks Given

15000+ Students Benefited



Computer Learning Program

The Computer Learning Program (CLP) remains dedicated to closing the digital divide by offering basic computer education and establishing computer centers in government institutions. With concentrated efforts, CLP expands its reach across regions, impacting more students. To ensure effectiveness, CLP develops a curriculum covering essential computer operations and internet literacy, equipping students with crucial digital skills through innovative teaching methods and digital tools.

Reach:

36 Schools

6,973 Students Benefited

36 Computer Labs Supported

Scholarship

Recognizing young talents, where meritorious students of Government schools were identified and supported in their education up to post-graduate level. It encourages the learners to actively participate without any absence, breaks, or disparity in society. We also develop a one-to-one mentoring program that empowers young minds to develop confidence, give orientation, evaluate their progress, and excel in their interests with the help of professional leaders and guidance.

Reach:

95
Total Scholarships Given

14
Scholarships given to Visually Challenged Students.

Early Childhood Care and Education (ECCE):

The program provides meaningful learning experiences for children in the age of 3-6 years (preschool learning) through teachers & parents to bring about their holistic development and enhances the capacity of caregivers to provide caring, aligned with the Integrated Child Development Services (ICDS) curriculum. Our goal is to offer a comprehensive educational experience that establishes a solid foundation for each child's learning and development journey.

Reach:

27
Preschools

700+
Early Learners Benefited

931
Stakeholders Benefited

Life Skills Education

This program focuses on nurturing young individuals to develop essential life skills such as self-awareness, empathy, critical thinking, creative thinking, decision-making, problem-solving, effective communication, and interpersonal relationships through the four components of the course - physical, social, study & positive mental health. This approach offers a comprehensive learning experience for participants.

Reach:

43
Schools

13,000+
Students Benefited

SCHOOL UPGRADATION

The school infrastructure is vital in shaping student health and academic performance. Ensuring safe and conducive learning environments is paramount. Our initiative focuses on revitalizing government school facilities by creating dynamic and stimulating spaces that enhance learning effectiveness and enjoyment for students.

Reach:

74
Schools Maintained

1
unit of Toilet Facility Built for Boys & Girls

16,500+
Students Benefited

HEALTH AND WELLBEING

Our comprehensive Health Program takes a holistic approach to address the physical and mental health of students. We incorporate various preventive and responsive mechanisms to address the physical and mental health issues among children attending government schools.

This program includes:

- Health Screening & Treatment
- School Sanitation
- Health Education
- Psychosocial Care
- Infirmaries
- Teacher Training
- Anaemia Prevention
- Bridge Fund for Cancer Care

Reach:

74
Schools

38
Infirmaries Set Up in the School

13,900+
Students Have Undergone Comprehensive Health Screening

8051
Dental Cases Treated

606
Spectacles Distributed

9,231
Students Benefited from Health Education

321
Students Benefited from Counselling

10
Cancer Patients Supported Through the Indian Cancer Society

SCHOOL SANITATION PROGRAM:

The School Sanitation Program is a comprehensive initiative aimed at promoting a clean and healthy environment within educational institutions. It includes strategies and activities focused on sanitation, hygiene, education, safe drinking water, and infrastructure development and maintenance. These programs are crucial for safeguarding the health and well-being of students, staff, and the broader school community.

Reach:

74
Schools

16,500+
Students Benefited

74
Drinking Water Units Maintained

16
New Purifiers Provided to Schools

TEACHER MENTORING

Teacher mentoring is a powerful tool for elevating the skills and confidence of our educators, empowering them to impart knowledge with abundant resources and nurturing their well-being in the process. The training was conducted on multifaceted topics covering - Life Skills & Components, Infirmary Management, First Aid, Anthropometric Tests, Psycho-Social Care, Early Childhood Care and Education, and Computer Learning Programs.

Reach:

Life Skills & Components
21
Facilitators, 168 hours

Computer Learning Program
18
Facilitators, 144 hours

Early Childhood Care and Education
59
Teachers, 1476 hours

Infirmary Management & First Aid
62
Teachers, 496 hours

Anthropometry Tests
20
Facilitators, 160 hours

Psychosocial Care
40
Facilitators, 320 hours

AWARDS

1. Quess Foundation received the esteemed NGO Leadership Award at the World CSR Congress & Awards held at Taj Lands End, Bandra, Mumbai, recognizing our unwavering commitment to social responsibility.
2. At the 9th Edition of CSR Summit and Awards 2023 - "Act Responsible, Think Sustainable" held at Taj MG Road, Bengaluru, Quess Foundation was honoured with the prestigious Best CSR Impact Award, highlighting our dedication to making a meaningful difference in communities.

Paediatric care centre at CMC Vellore

The proposed facility at CMC Vellore will have 350 beds including 70 ICU beds and a footprint of 11,000 square meters, 20+ Pediatric super specialties including cardiology, oncology, and neuro surgery.

Board of Directors

Ajit Isaac
Non-Executive Chairman

Guruprasad Srinivasan
Executive Director and Group CEO

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

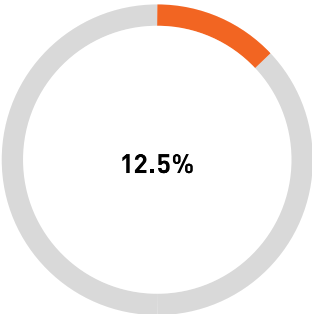
Gaurav Mathur
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

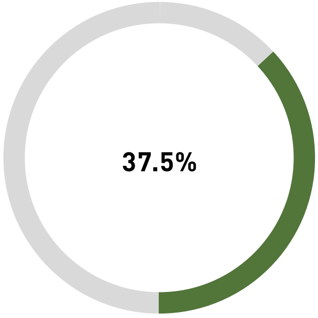
Revathy Ashok
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

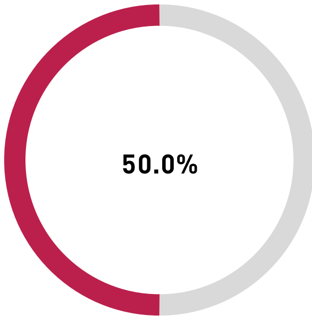
Board Composition



Executive Director

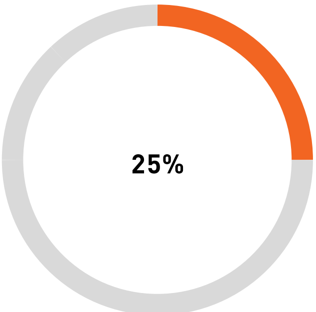


Non-Executive Director

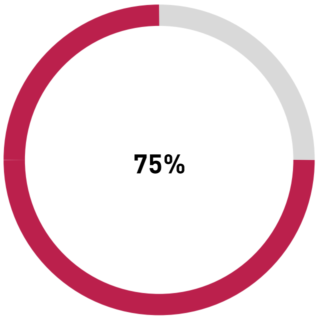


Non-Executive Independent Director

Board Nationality

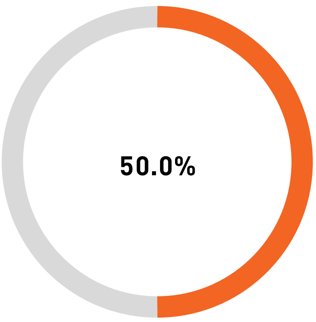


Foreign National

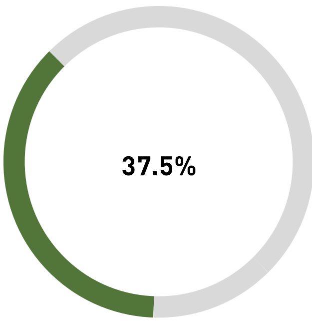


Indian

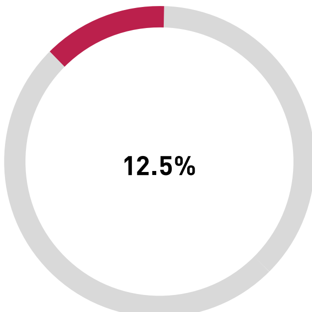
Board Age Profile



56-70 years



33-55 years



Above 70 years

Profile of The Directors

Ajit Isaac
Non-Executive Chairman

Appointed to the Board:
(April 6, 2009)

Ajit Isaac, the founder of Quess Corp, is an entrepreneur who over a period of 20 years, has been involved in creating market-leading enterprises in the business services sector in India. At Quess, and under his leadership, the Company is now a 5,67,000+ strong family, with ~US$ 2.3 Bn in revenues, and has accelerated the transition of informal jobs to formal platforms, helping bring financial and social security to many not-so-privileged sections of Indian Society.

His initiatives in transformative deals, with a focus on operational efficiency and business development, have helped Quess scale rapidly. Socially committed, he set up Care Works Foundation, which today supports over 16,000 students across 75 schools. His strong social commitment to the larger cause is demonstrated in the partnership with the Indian Institute of Science (IISC), Bangalore to set up The Isaac Centre of Public Health (ICPH). Along with Fairfax and Quess, he has also anchored the establishment of a pediatric specialty center in CMC Vellore.

A gold medalist in PG-HR and a British Chevening Scholar from Leeds University, he has worked for 10 years in leadership roles in the private sector including companies like Adecco, IDFC, Godrej and Boyce, before becoming an entrepreneur in the year 2000.

He serves on the Board of Allsec Technologies and Childrens Heartlink India Foundation. He also serves on the Board of Governors of the St. Joseph's University in Bangalore.

Nationality: Indian

In the Governance Committees of:

CSR | SRC | RMC (C)

Guruprasad Srinivasan
Executive Director & Group CEO

Appointed to the Board:
(February 10, 2022)

Skills and Experiences:

Guruprasad is the Executive Director and Group CEO of the company. A founding member, he was the fourth employee of the company. He has more than 26 years of industry experience, including leadership roles at GE Health, Hewitt Associates and People One Consulting. Over the years at Quess, he has built the Work Force Management Platform to be an industry-leading one, set up the Shared Services Centre, integrated the Asset Management Business, and has been part of the team that takes key decisions at the corporate level. A natural leader, he has keen interest in photography and restoring Vintage vehicles.

Career:

Guruprasad is a Stanford Ignite Graduate from the Stanford University Graduate School of Business, in addition to having a Master's in Business Administration.

Other Directorship:

Indian Entities –

Allsec Technologies Limited
Stellarslog Technovation Private Limited
Trimax Smart Infraprojects Private Limited
Monster.com (India) Private limited
Digitide Solutions Limited and Bluspring Enterprises Limited

Global Entities - 5

Nationality: Indian

In the Governance Committees of:

RMC

Chandran Ratnaswami
Non-Executive Director

Appointed to the Board:
(January 18, 2016)

Skills and Experiences:

Chandran is a Non-Executive Director of the company since January 2016 and comes with over three decades of experience in investment management. He has driven business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.

Career:

Chandran holds a Bachelor's degree in Civil Engineering from IIT Madras and an MBA from the Rotman School of Management, University of Toronto. He is the Chief Executive Officer and Director of Fairfax India Holdings, a company listed on the Toronto Stock Exchange and is also a Managing Director of Hamblin Watsa Investment Counsel, a wholly-owned investment management company of Fairfax Financial Holdings. Hamblin Watsa provides discretionary investment management to all the insurance and reinsurance subsidiaries of Fairfax and currently manages approximately US$ 60 billion of assets. At Hamblin Watsa, he is responsible for all Fairfax and subsidiary investments in Asia. Prior to joining Hamblin Watsa, he was the owner/president of an industrial distribution company and a senior executive at a large multinational consumer packaged food company.

Details of Other Directorship:

Indian Entities: Thomas Cook (India) Limited, Bangalore International Airport Limited, Sanmar Engineering Services Limited, Fairbridge Capital Private Limited and Go Digit Infoworks Services Private Limited.

Global Entities: 19

Nationality: Canadian

In the Governance Committees of:

NRC | AC

Profile of The Directors

Gopalakrishnan Soundarajan
Non-Executive Director
Appointed to the Board:
(April 1, 2020)

Skills and Experiences:

Gopal is a Managing Director at Hamblin Watsa Investment Counsel. He has leadership experience in handling financial management of various enterprises. He has an incisive ability to identify as well as address resolutions at organisations exposed to financial and business risks including exposure to legal and regulatory vagaries. Mr. Soundarajan also brings with him immense experience in corporate business strategy and capital allocation, a knowledge so useful in today's environment where maximisation of shareholder value is of utmost concern.

Career

He is a Bachelor of Commerce from the University of Madras, is a member of the Institute of Chartered Accountants of India and is a Qualified Chartered Financial Analyst and Member of the CFA Institute in the US. Before joining Hamblin Watsa, Gopal was the Chief Investment Officer at ICICI Lombard, the largest private sector property and casualty insurance company in India. He held that position for 18 years and was a member of the insurer's investment committee as well.

Details of other Directorship:

Thomas Cook (India) Limited, Bangalore International Airport Limited, Anchorage Infrastructure Investments Holdings Limited and Go Digit Life Insurance Limited

Global Entities: 6

Nationality: Indian

In the Governance Committees of:

AC

Gaurav Mathur
Non-Executive Independent Director
Appointed to the Board:
(August 31, 2020)

Skills and Experiences:

A pioneer in the private equity space in India, Gaurav started his career in 1998 with the European High Yield Capital Markets group at Deutsche Bank in London. He brings with him over 20 years of astute investing, nurturing and growing companies and has created tremendous value for shareholders over the years. Apart from private equity, Gaurav also comes with sound expertise in venture capital funding, capital markets, corporate development, financial modelling and valuation. While Gaurav's entrepreneurial abilities are well known to the world, he also possesses rich experience in service industries and overseeing technology-led transformation at corporates

Career:

He has a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad and a BA (Hons.) in Economics from Delhi University. Gaurav Mathur is the Founder Director at InVent Capital, a long-term investment firm that focuses on listed equity and control oriented investments in consumer and services businesses in India. He is also the CEO of Digital Gold India, a leading digital gold platform. He also co-founded private equity outfit India Equity Partners. He was a Principal at JPMorgan and has served as a Director, representing investors on the boards of numerous companies. The list of such firms who have benefited from Gaurav's deep understanding of complex business issues includes Jubilant Foodworks, Manappuram Finance, Piramal Glass, Innovative Foods and MTR Foods.

Details of Other Directorship:

Digital Gold India Private Limited, Invent Advisors Private Limited and Safegold Digidemat Private Limited.

Nationality: Singapore

In the Governance Committees of:

AC CSR

K. R. Girish
Non-Executive Independent Director
Appointed to the Board:
(August 31, 2020)

Skills and Experiences:

Over a span of 36 years, Girish has lent his considerable expertise to corporates in financial analysis and reporting, international taxation including that related to M&As, internal controls and business strategy. He also holds the flag in the areas of technology adoption for ERP and regulatory frameworks. Girish is much sought by corporates for his views on their business plans and for a second opinion on their strategic initiatives. He often advises corporates on the right capital allocation policy, keeping tax consequences and shareholder interests in mind. He has been involved with many large technology companies, particularly those with services as a major revenue stream. In today's world where the importance of ESG cannot be overemphasised, he has provided critical inputs to corporates keen to address these global concerns.

Career:

Mr. Girish is a fellow member of the Indian Institute of Chartered Accountants and a graduate from Karnataka State Law University. He is also an associate member of the Australian Taxation Institute and holds a Post Graduate Diploma in Taxation practice from M S University, Baroda. He spent 18 years at KPMG and was its Partner and Head of Tax for South India and National leader for tax dispute resolution practice. He has also been associated with tax advisory firms Baker Tilly DHC and LeapRidge. He now operates his CA proprietary firm KR Girish and Associates. He has been rated as one of the top tax professionals in the country consistently for the last 4 years by International Tax Review UK. He was past president of the Bangalore Chamber of Industry and Commerce (BCIC) during 2009-10 and continues to be the Chairman of the finance Committee of the Chamber. He has been invited to the Academic Board of Chartered Institute of Taxation London and continues to serve there.

Details of Other Directorship:

Credens Fiduciary Solutions Private Limited and Founder Director of International Tax Research and Analysis Foundation (ITRAF), Section 8 Company.

Nationality: Indian

In the Governance Committees of:

AC C

PROFILE OF THE DIRECTORS

Revathy Ashok

Non-Executive Independent Director

Appointed to the Board: (July 24, 2015)

Skills and Experiences:

Revathy has spent over 3 decades pursuing capital raising, business development, financial, risk management and commercial with an ability to understand and analyze key financial statements, assess financial viabilityand performance, contribute to strategic financial planning and budgets with strategic goals and priorities. She holds a Bachelor's degree in Science from Bangalore University and a Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore.

Career:

She is the Co-founder of Strategy Garage, which aims to foster entrepreneurship in India, along with being an active mentor at the Indian Angel Network. She is passionate about women's economic empowerment and evangelising entrepreneurship and is actively involved with many start-ups, helping them with their business strategy and promoting transparency and good governance. She is a managing Trustee of Bengaluru Political Action Committee, a nonpartisan citizen's group that aims to improve governance and to enhance the quality of life of every Bangalorean. She last served as Managing Director of Tishman Speyer India and currently serves on the Board of leading listed companies. She has held senior management positions in global corporations such as Syntel, Microland and Tyco Electronics. Further, she also serves as a member of Risk Management Committee of ADC India Communications Limited and Barbeque - Nation Hospitality Limited.

Achievement:

She was awarded the 'Faculty medal for Best Performance' – Habitat & Environmental Studies. She has a successful leadership experience of over three decades spanning variety of industries – Private Equity, Software & IT enabled services, Manufacturing, Infrastructure & Real estate, etc. in Senior Management positions handling wide variety of portfolios, namely Capita Raising, Business Development, Finance, Commercial and other strategic general management functions. In 2011, she was nominated by CII as one of the top women achievers in Business in South India and in 2005, she was named as one of the 10 most powerful women in the Indian IT industry by Dataquest.

Details of other Directorship:

AstraZeneca Pharma India Limited, ADC India Communications Limited, Athena Infonomics India Private Limited, Barbeque-Nation Hospitality Limited, Khemeia Technologies Private Limited, Microland Limited, Manipalcigna Health Insurance Company Limited, Shell MRPL Aviation Fuels and Services Limited, Sansera Engineering Limited and 360 One Prime Limited.

Nationality: Indian

In the Governance Committees of:

AC, NRC (C), CSR (C), SRC, RMC

Sanjay Anandaram

Non-Executive Independent Director

Appointed to the Board: (December 22, 2015)

Area of Expertise:

Corporate strategy and capital allocation, Corporate and Board Governance, Global Business Management, Services Business Management, Financial and Risk Management, digital public platforms, Technology-led transformation and innovation.

Skills and Experiences:

Sanjay has spent over 30 years as a corporate executive, investor, early stage venture capitalist, teacher and advisor to funds and entrepreneurs. He has significant experience in M&As and funding start-ups. Sanjay has written extensively in online and offline publications including The Wall Street Journal and The Financial Express. He often shares his knowledge with students and corporate executives from various countries on innovation and entrepreneurship and has been a visiting faculty at Singapore campus of France's INSEAD business school. He is a mentor and board member of Sattva, a leading impact consulting firm including ESG.

Career:

He holds a Bachelor degree in Electrical Engineering from Kolkata's Jadavpur University and a Post Graduate Diploma in Management from the Indian Institute of Management, Bengaluru. He is a co-founder of NICE (Network of Indian Cultural Enterprises), a non-profit company, that seeks to create Indian soft power through entrepreneurial ventures based on indigenous Indian practices and knowhow. In 2016, he authored "Startup Mantras" a collection of 100 distilled insights for entrepreneurs and managers. He co-founded Neta, a Silicon Valley VC backed software company, that became a part of Infoseek/ Disney. He was a founding partner of JumpStart-Up, a US$ 45 million early stage US-India cross border VC fund that invested in technology businesses. Early in his career, he spent several years with Wipro in India and overseas where he established several new business initiatives for the company. He is an Executive Board Member of Modular Open Source Identity Platform. He is a Governing body member of TiE Bengaluru and leads the digital diplomacy initiative at ISPIRT, a not for profit technology think-tank, and is associated with several venture funds and innovative companies. Further, he also serves as a member of Risk Management Committee of Allsec Technologies Limited.

Details of Other Directorship:

Allsec Technologies Limited, Network of Indian Cultural Enterprise, Syzygy Consultants Private Limited and Sattva Media and Consulting Private Limited.

Nationality: Indian

In the Governance Committees of:

AC, NRC, SRC (C), RMC

Board Committee Membership Indicators

- AC – Audit Committee
- RMC – Risk Management Committee
- NRC – Nomination & Remuneration Committee
- CSR – Corporate Social Responsibility Committee
- SRC – Stakeholders' Relationship Committee
- C – Chairman of the Committee

Management Discussion & Analysis

Economic Overview

Global and Indian economy:

Global economy remained resilient as the growth perceivably bottomed out in Calender year ("CY") 2022 at 2.3%, with a growth of 3.2% in CY 2023, and is projected to grow at the same pace in CY 2024 and CY 2025 as well. While the pace of growth is historically weaker owing to near-term factors of high borrowing costs and longer-term factors of Ukraine-Russia conflict and weak productivity growth, the economy circumvented the risks of stagflation and recession along with steady growth in employment and incomes.

The Indian economy maintained its steady ground in 2023-24, notwithstanding persistent headwinds from external demand, geopolitical tensions and volatile global financial markets. GDP growth sustained at 7% and above for the third successive year, driven by capex-push by the government leading to growth in fixed investments. Consumption, on the other hand, slackened a bit during the year due to uneven monsoons dragging both rabi and kharif production. However, urban demand was supported by improvement in labour market conditions, higher disposable incomes and a tapering in retail inflation.

Indian Labour Market Overview:

Labour market in India has improved beyond pre-Covid levels in India with steady growth during 2022-23 and 2023-24. As per the periodic labour force survey (PLFS), the unemployment rate declined to 3.2% along with an improvement in labour force participation rate, which now stands at 57.9%.

Rise in formalization of labour market

The share of the formal sector in the Indian economy has risen to 56%. While the number of workers in the formal sector has almost doubled in the past 15 years, the overall formalization in the labor market is still quite low at ~15%, signifying a huge headroom ahead. The organized sector job market, measured by payroll data for EPFO, indicate a consistent YoY increase in payroll addition since FY2018-19, and the yearly payroll additions have nearly tripled to 1.4 crore in the last 5 years.

Increase in Female Labour Force Participation-

Over the last five years, the female labour force participation has improved from 23% in FY2017-18 to 37% in FY2022-23. The government, in its G-20 presidency, listed 'women-led development' among the six priorities and also passed the women reservation bill (NSVA) in September 2023, doubling down on its commitment to increase the female participation rate. Female participation has been quite encouraging in the wave of human capital formation through the Skill India Mission and Start-up and Stand-Up India programmes. Under the PM Kaushal Vikas Yojana, over 59 lakh women have been certified (~40% of the total certified). Additionally, around 70% of loans have been sanctioned to women entrepreneurs under PM Mudra Yojana.

Rising youth employment-

Over the last decade, demographic dividend has been one of the central focus of government policy-making. According to the periodic abour force survey (PLFS), the unemployment rate among youth (15-29 years of age) has declined from 18% in 2017-18 to 10% in 2022-23. The Worker Population Ratio (WPR) has risen to 40% from 31%, five years ago, amounting to an additional 35 million people who have found work, compared to a population increase of only 17 million for the youth age group. While progress is encouraging, concerted initiatives to create ample opportunities for youth employment and skill development need to be created.

Workforce Management:

General Staffing:

In FY2024, India's general staffing sector continued to remain an integral part of workforce management, demonstrating resilience and adaptability within a dynamic economic landscape. General staffing, which includes temporary, contractual, and flexible hiring solutions, continued to play a key role across various industries in addressing manpower requirements.

The Indian Staffing Federation (ISF) has reported sustained growth in the general staffing industry, highlighting its continued importance in the country's economic framework. The primary factors driving this growth include economic development, providing cost-effective solutions, access to a diverse talent pool, a refined regulatory framework, and technological advancements.

A major contribution was witnessed during the post-COVID-19 recovery phase, when businesses increasingly relied on general staffing to adapt swiftly to fluctuating market conditions. During that time, general staffing offered organizations a cost-efficient mechanism for managing human resources, enabling optimized workforce utilization without compromising productivity or quality.

Leveraging India's extensive talent pool, the general staffing sector has successfully facilitated access to a diverse range of skills and expertise, effectively addressing skill shortages and meeting the demands of short-term projects across various industries. Among the sectors, there has been a rise in the manufacturing sector, along with growth in BFSI and Retail. With India transitioning from a services economy to a services cum product and manufacturing' economy, alongside the PLI scheme and skill-based programmes, the manufacturing industry's growth trajectory should continue in the medium to long term.

Within the staffing landscape, one of the major trends that has reshaped the industry has been digitalization. General staffing providers have leveraged technology to streamline recruitment processes, enhance candidate matching accuracy, and improve overall operational efficiency. As India's economy continues to advance, the general staffing sector remains pivotal in driving productivity, competitiveness, and sustainable employment opportunities across multiple industries.

IT Staffing:

In a year marked by macroeconomic uncertainties, the technology industry demonstrated resilience, with enterprise software and IT services maintaining demand through extensive cost optimization and automation initiatives. Global technology spending in CY2023 increased at a slower rate of 4.4% year-on-year, largely due to a decline in hardware and device expenditures. The growth in spending was primarily driven by enterprise software and IT services, which expanded nearly 1.1 times the total tech spending.

Amid global geo-political tension leading to a more cautious approach towards investments and delayed decision making, India's technology industry revenue, including hardware, is projected to reach USD 254 billion in FY2024, reflecting 3.8% year-on-year growth and an addition of over USD 9 billion compared to the previous year. Exports are expected to approach the USD 200 billion mark, growing at 3.3% year-on-year, while the domestic technology sector is anticipated to exceed USD 54 billion, achieving 5.9% year-on-year growth.

Despite the tough market conditions, the industry continues to be a net hirer, adding 60K employees, taking the total employee base to 5.43 million (1.1% y-o-y growth). Europe, APAC, Manufacturing, Retail and Healthcare emerge as the key growth markets for the industry.

Nasscom Annual Enterprise & Tech Services CXO Survey 2024 indicates stronger growth momentum for CY2024 with under-stressed sectors of BFSI, telecom, media and entertainment and hi-tech leading digital spending. Generative AI remains a key priority for over 95% of organizations over the next 6-12 months.

Moreover, the demand for IT hiring is extending beyond the traditional IT sector. Non-IT sectors are increasingly seeking IT professionals, resulting in rising costs for companies and global capability centers (GCCs). To manage these costs and access new talent pools, many organizations are expanding to Tier II cities. Cities such as Coimbatore, Visakhapatnam, Jaipur, Vadodara, Kochi, and Chandigarh are gaining popularity due to their improving infrastructure, digital penetration, favorable state policies, lower real estate costs, and availability of talent. This strategic expansion into Tier II cities not only alleviates cost pressures but also leverages the growing infrastructure and supportive local policies to harness a broader talent base. These cities are emerging as new IT hubs, contributing to the broader growth and diversification of India's technology industry. As the industry evolves, the emphasis on acquiring specialized skills and adaptable talent will be critical for sustaining growth, fostering innovation, and maintaining a competitive edge in the global market.

For technology providers, FY2025 growth expectations look stronger, as 79% of the providers expect higher growth compared to last year. Hiring growth is expected to be positive, with 80% of the providers planning a higher level of hiring compared to FY2024.

Global Technology Solutions

Business Process Management (BPM):

The Information Technology - Business Process Management (IT-BPM) sector is the largest private sector employer in India, with a workforce of 5.4 million employees, contributing 7.5% to India's GDP in FY23, which is projected to increase to 10% in the next 2-3 years. With the potential to leverage new technologies and India's leading position in process management globally, the industry is poised to create substantial employment and revenue opportunities.

The IT-BPM sector is well-diversified across verticals such as BFSI, telecom, and retail. India's strategic position in the global market is strengthened by its extensive internet user base and the world's lowest internet rates, enhancing its attractiveness as a digital hub. The nation's digital infrastructure has been significantly enhanced by internet penetration, digital payments, rise and penetration of e-commerce, further fuelled by governmental initiatives like the Digital India Programme, which aims to maximize economic value and empower citizens through improved digital access.

Furthermore, India's innovation landscape is advancing, as demonstrated by its improved ranking in the 2022 Global Innovation Index, where it rose six places to the 40th position. This progress is driven by a combination of government initiatives, innovation, and the rapid adoption of new digital applications, which are transforming various sectors and enhancing the daily lives of the people.

Payroll Outsourcing:

The global payroll outsourcing market was valued at USD 10.0 billion in 2021 and is projected to reach USD 18.7 billion by 2032, at a CAGR of 5.8%.

Outsourcing payroll functions allows organizations to allocate their time and resources more efficiently, enabling them to concentrate on their core business activities. North America and Europe are major adopters of payroll outsourcing services. The increasing need for payroll cost visibility, escalating demand to reduce payroll-related costs, and increasing demand to standardize processes, technology, and governance are likely to drive market growth. Payroll outsourcing services are gaining traction across different industry verticals, such as Services, Manufacturing, BFSI, Healthcare, and Retail.

Additionally, the trend towards multi-country payroll outsourcing and cloud-based payroll solutions is anticipated to significantly boost market growth. The market is also benefiting from technological advancements and the integration of artificial intelligence and digital platforms, which enhance payroll processes. However, regulatory developments across geographies as well as cybersecurity threats could slow down adoption.

IT Services:

In CY 2023, the global IT services industry faced a slowdown, with growth rate moderating to 3-4% from 7-8% in the previous year. However, while the broader sector faced challenges, newer-age technologies in the domain of cloud services saw encouraging growth, with cloud-related expenditures increasing at an annual rate of 15%.

The Indian IT services industry is quickly adopting the cloud and artificial intelligence markets, including multi-country payroll outsourcing and the integration of cloud-based solutions. The implementation of artificial intelligence (AI) has emerged as a pivotal area, with generative AI anticipated to drive substantial expenditures ranging from USD 150 billion to USD 200 billion on new AI-native services.

Technological advancements and the increased adoption of digital platforms substantially improve payroll processes and there is considerable potential for growth in technology spending, with a focus on enhancing productivity and integrating new technological solutions across business operations.

Operating Asset Management

Integrated Facilities Management:

The global Integrated Facilities Management (IFM) sector includes the comprehensive management of buildings and properties through the outsourcing of non-core activities. It includes soft services such as housekeeping and disinfection, hard services like HVAC and pest control, and other services that include catering and warehouse management. The entire facility management market is witnessing material transformations driven by technological advancements, new business models, disruptive competition and newer offerings. Value propositions have seen a shift towards service outcomes, user experience and business productivity.

The global IFM market is projected to reach USD 1,236 billion by 2027, growing at a CAGR of 6.0% from 2023 to 2027, a sharp growth compared to 2018-22 CAGR growth of 2.1%. The Asian market, particularly India and China, holds a 33% share as of 2022, and is slated to outperform global IFM market growth. In India, the IFM market was valued at USD 23 billion in FY2023, with ~51% of it being outsourced. The outsourced segment had a CAGR of 8.1% from FY2018 to FY2023, with the government sector growing at a 10.4% CAGR, outpacing the private sector's 6.0% growth.

The government's Smart Cities Mission and UDAN programme promise a growing need for outsourced IFM. Privatization of airports as well as growth in commercial real estate are also boosting the demand for outsourced airport management services.

The competitive landscape in IFM in India is highly fragmented, with a large part being small-scale and regional players. The players differentiate on various factors, including local region knowledge, workforce retention, compliance, goodwill, financial stability, technology adoption and value-added services. However, as global best practices are being adopted, there is a rising influence and value-add in emerging technologies like IoT and machine learning, which are enhancing operational efficiency, robust inventory management and enabling predictive maintenance. Additionally, there is a rising focus on sustainability and health & safety practices by organizations. These trends present substantial opportunities for larger service providers to invest in this space and deliver enhanced value to clients, while also fostering efficient, compliant and sustainable facility spaces.

Security Services:

The Indian security services, primarily the manned guarding services market, is valued at USD 23 billion as of FY2023. The private security industry is amongst the largest employers in India, employing close to 9 million people. The manned guarding services market currently has widespread usage as it not only protects a nation's property and critical infrastructure systems, but is also used for protecting sensitive information and intellectual property. Despite a Covid-led decline, the industry grew at a healthy 12% CAGR between FY2018-23. In the next five years, during FY2023-28, the industry is expected to further accelerate at a growth rate of 20%.

Market segmentation by end-users indicates strong demand from the manufacturing and industrial sectors, with significant contributions from BFSI, IT/ITeS, hospitality, retail, and public infrastructure. The private sector holds 70% of the market share, while government entities are key clients, particularly for museums, monuments, and infrastructural assets. Key drivers include the prioritization of employee safety, escalating security concerns, and government initiatives such as the Smart Cities Mission and Make-in-India.

Technological integration has been pivotal in the sector's evolution, enhancing service efficiency and client satisfaction. Standard technologies now include access control systems, surveillance cameras, and alarm systems, along with advanced biometric solutions and remote monitoring capabilities. These innovations ensure comprehensive security coverage and streamline operations for maximum effectiveness. Organized companies are leveraging their scale and expertise to offer integrated security solutions encompassing manned guarding, electronic security, cybersecurity, and risk management services.

Telecom services:

Globally, India ranks second in terms of telecom subscriptions and internet subscribers, with 1.2 billion and 924 million subscribers respectively, as of FY2024. The accelerated growth in internet penetration is attributable to affordable smartphones and lower plan rates, coupled with policy support and increasing investments by telcos. The networking infrastructure in India has seen tremendous growth with increasing telecom penetration and 4G, 5G implementation. Growth in the sector is driven by consolidations, the addition of new sites, network upgrades & roll-out of data technology. The industry is highly unorganized, with moderate competition and dependent on telcos and OEMs.

As the industry has shifted from connectivity service providers to digital service providers, the network service market is expected to be ₹ 700 billion market by 2025, with accelerated 5G network deployment, optical fiber roll-out, increasing demand for tower infrastructure and enterprise managed services. Between the 4 telcos (3 private and 1 government-owned), a cumulative capex in the range of USD 18-20 billion is expected to be invested untill FY26 for 4G and 5G roll-out.

Product Led Business

Online Recruitment:

The global online recruitment market is projected to grow from USD 32 billion in 2022 to USD 58 billion by 2030, with a CAGR of 7%. The anticipated expansion will be driven by advancements in internet infrastructure, the growing adoption of cloud technologies, and the widespread use of social networking platforms.

Digital adoption is increasing at a rapid pace, especially in rural India, with a spurt in smartphone usage, as the total active internet population is likely to touch 900 million by 2025 from 622 million in 2020.

The rapid digitalization of corporate functions, including recruitment, is leading businesses to invest in platforms that not only provide recruitment services but also includes end-to-end talent acquisition solutions such as applicant tracking systems, digital interviewing platforms and learning platforms. There is also a growing prevalence of AI-enabled online recruitment with benefits like smart searching, personalized recruiter-led messages, thereby enhancing the user experience and improving operational efficiency. The next advancement for companies will involve the digital integration of additional processes within the recruitment lifecycle, such as skilling, assessments, and pre-screening, to ensure a seamless experience.

Regionally, after North America, Asia Pacific is expected to hold a substantial market share, propelled by the swift adoption of AI technologies in major economies like China, Japan, and India. According to the World Economic Forum, significant changes are anticipated in the Indian job market over the next five years, driven by emerging technologies in AI, machine learning, and data science.

Financial Performance

(₹ in millions except per share data)

Particulars	Consolidated		Standalone	
	FY 2024	FY 2023	FY 2024	FY 2023
Revenue	1,91,001.33	1,71,583.87	1,55,711.84	1,36,379.33
Less: Cost of Materials and Stores and Spare Parts Consumed	4,771.95	4,794.39	1,877.91	1,807.64
Less: Employee Expenses	1,65,567.73	1,46,595.61	1,39,014.18	1,20,386.62
Less: Other Expenses	13,726.55	14,337.25	9,999.99	9,899.18
EBITDA	6,935.10	5,856.62	4,819.76	4,285.89
EBITDA Margin	3.63%	3.41%	3.10%	3.14%
Add: Other Income	294.53	263.35	1,611.69	780.86
Less: Finance Costs	1,173.23	1,066.08	911.04	880.63
Less: Depreciation & Amortisation Expense	2,831.95	2,746.12	1,852.32	1,784.10
Add: Share of Loss in Associates	-0.69	0.84	0.00	0.00
Less: Exceptional Item	271.59	-535.03	506.24	8.90
Profit Before Tax	2,952.17	2,843.64	3,161.85	2,393.12
Profit Before Tax Margin	1.55%	1.66%	2.03%	1.75%
Less: Tax Expense	148.13	614.55	-267.36	314.53
Profit After Tax	2,804.04	2,229.09	3,429.21	2,078.59
Profit After Tax Margin	1.47%	1.30%	2.20%	1.52%
Add: Other Comprehensive Income/ (Losses)	-255.61	554.54	-212.69	73.61
Total Comprehensive income for the year	2,548.43	2,783.62	3,216.52	2,152.20
Diluted EPS (in ₹)	18.61	15.04	22.97	13.93

Key Highlights for FY'24

Revenue from operations

The company's consolidated revenue registered a growth of 11% during the year to reach ₹191.00 billion as compared to ₹171.58 billion in FY'23.

All platforms registered a healthy growth in revenue with our headcount net- addition of 56k (11% YoY growth) in FY24.

EBITDA

Consolidated EBITDA for the year saw a growth of 18% to ₹ 6.94 billion from ₹ 5.86 billion in FY'23.

The focus during the year was on profitable growth; EBITDA margin increased from 3.41% in FY'23 to 3.63% in FY'24. Increase YOY attributable to margin expansion in GTS platform due to change in geographical mix, Food margin expansion in OAM platform & reduction of burn in Foundit in FY24 compared to last year.

Cost of Materials and Stores and Spare Parts consumed remained flat during the year as we saw a ramp down in our divested break-fix business due to low demand for spare services

Other Expenses

Other expenses decreased during the year due to cost initiatives in Travel and Conveyance, Consulting costs coming down and largely also due to reduction in Business Promotion spend in the foundit business.

Our SG&A cost has decreased to 5.3% of revenue in comparison to 5.7% in FY'23. This decrease is driven by a reduction in spend on business promotion and marketing expenses in our product led platform & continuous focus on cost initiatives driven during the year.

Finance Cost

Finance cost for the year was ₹ 1.17 billion against ₹ 1.07 billion for the previous year, an increase of 10%. Increase in finance cost is due to exercise of non-controlling put option by non controlling shareholder of Vedang Cellular Services Private Limited during the year at Fair value, as well as interest component under IND AS 116 for new leases signed during the year.

Finance Cost- The reduction in gross debt to ₹ 3.70 billion in FY'24 from ₹ 5.31 billion in FY'23, a reduction of ₹ 1.62 billion, reflects continued efficiencies in our cash conversion and resultant de-leveraging.

Depreciation and Amortization Expenses

The Consolidated Depreciation & Amortization (D&A) Expenses increased nominally by 3% to ₹ 2.83 billion in FY'24 from ₹ 2.75 billion in FY'23 on account of amortisation cost of new leases in line with business growth.

Share of Loss in Associates

Share of loss in Associates during the Balance Sheet Analysis year was at ₹ 0.69 million against profit of ₹ 0.84 million for FY'23.

This is on account of losses in Quess recruit inc during the year as against profit in FY23

Exceptional Items

During the year, the Company divested its break-fix business, Qdigi Services Limited and recorded a net gain of ₹ 387.50 million.

The group recorded an Expected Credit Loss (ECL) amounting to ₹ 305.3 million relating to receivables from in its subsidiaries pursuant to discontinuation of some of these projects.

Income Taxes

Tax expenses during the year were ₹ 0.15 billion against ₹ 0.61 billion in FY'23.

The effective tax rate for the year was 5% compared to 22% in FY23. The reduction in the effective tax rate is primarily due to merger of Conneqt Business Solutions Ltd.

Balance sheet analysis	FY 2024	FY 2023
Leverage Metrics		
Debt: Equity	0.12x	0.20x
Working Capital Metrics		
Receivable DSO	53 days	57 days
Return Metrics		
ROCE (pre-tax)	15.18%	11.89%
ROE (post-tax)	9.85%	8.41%
Credit Rating		
Long Term	ICRA AA [Placed on rating Watch with developing implications]	ICRA AA [Stable]
Short Term	ICRA A1+[Placed on rating Watch with developing implications]	ICRA A1+

Goodwill: Decrease in goodwill due to divestment in Qdigi Services Limited, impairment in Stellarslog Technovation Private Limited and Heptagon Technologies Private Limited.

Property, Plant and Equipment: The net decrease in Property, Plant and Equipment during the year is due to depreciation.

Right of use assets: Right of use assets are lower during the year due to depreciation.

Financial Ratios

Investments: Investments increased during the year on account of subscriptions towards preference shares in Onsite Electro Services Private Limited.

Receivable DSO: Receivable DSO decreased by 4 days to 53 days vs. FY23, robust cash conversion , working capital management and collection drive

Cash and Cash Equivalents: The cash and cash equivalent balance including bank balances and current investments stood at ₹ 6.01 billion as of 31st March 2024 in comparison to ₹ 6.12 billion as of 31st March 2023.

Borrowings: Long term Debt reduced to ₹ 17.58 million as of 31st March 2024. Short term Debt decreased by ₹ 1.54 billion to reach ₹ 3.68 billion as on 31st March 2024. Debt-Equity ratio reduced year on year.

Non-Controlling Interest: increased during the year on account of profit in Allsec Technologies and reduction of losses at Foundit.

Cash Flow from Operations

Cash flow from operations increased by 14% from ₹ 4.66 billion in FY'23 to ₹ 5.29 billion in FY'24.

Ratios	FY 2023-24	FY 2022-23
DSO days	53 days	57 days
Interest Coverage Ratio	6x	5x
Current Ratio	1.36x	1.27x
Debt Equity Ratio	0.12x	0.20x
EBITDA Margin	3.63%	3.41%
Net Profit Margin	1.47%	1.30%
Return on Net Worth	9.85%	8.41%
Debtor Turnover Ratio	12.63	12.45
Working Capital Turnover Ratio	22.58	22.22

1. There is an improvement in the Debt equity ratio due to reduction in debt by ₹ 161 crores

Business Overview

Workforce Management (WFM):

Quess leads the Indian workforce management arena, extending its presence in Asia Pacific, the Middle East and North America, providing a wide array of services such as General Staffing, IT Staffing, RPO, MSP, and Permanent Recruitment. Our paramount achievement over the last 15 years has been the establishment and maintenance of our extensive reach and capacity within this sector. With a network of 73 offices in India and an additional 23 offices spanning APAC, ME, North America, and Canada, our goal is to ensure smooth and efficient service for our clients.

As per SIA (Staffing Industry Analysts), Quess WFM division is among the top 46 staffing firms in 2023 in revenue terms.

Manufacturing has been increasingly prioritized, led by government support, which has reflected in the hiring trends in the sector. While IT/ITeS has remained soft globally, Global Capability Centers (GCCs) continues to maintain strong traction. Subsequently, in FY2024-25, conventional IT staffing is also anticipated to recover gradually.

Workforce management platform revenue grew by 14% YoY and contributes ~70% to the overall group revenue. The EBITDA margins slightly declined to 2.6%, dragged by global headwinds in the IT sector.

General Staffing

Services Offered:

General Staffing on India's most advanced hire to retire platform	Managed Services on our leading WorQ© platform
• Long and Short-Term Staffing Services • One Time Recruitment • Payroll Management • Engagement Programs • Statutory & Compliance Management • Exit Formalities • Value Added Services • Digital Training and Skilling programs	• Engagement Programs • Rewards & Recognition Programs • Asset Deployment • Training Management • Hire Train & Deploy • Employee Self Service • Tracking and productivity management

Key Highlights for FY24:

- During the year, General Staffing crossed 4,00,000 headcount milestone, adding 60,000 associates during the year, a 17% growth YoY, ex full-and-final-process associates.
- Quess General Staffing is among the top 5 global staffing companies by head-count.
- The business added 274 new logos during the year, and 30% of the new clients used outsourcing services for the first time.
- A Vertical-focussed strategy has yielded dividends, with 4 verticals namely, BFSI, Retail, Telecom, and Manufacturing, crossed 50,000 headcount of associates. BFSI headcount at 120,000.

FY24 headcount growth propelled by manufacturing vertical, registering an addition of 22,000, a 47% growth YoY in headcount.

- Working capital has improved significantly, with DSO at 25 days in the General Staffing business. Collect & Pay continue to be at a healthy ratio of 78%, up from 76% a year ago.
- Based on a recently conducted survey among 156,000 associates, 88% have rated themselves as 'very satisfied' or 'satisfied', up by 85% compared to the previous year. 78% of our associates are 'definitely likely' or 'very likely' to recommend Quess to their peers.

IT Staffing:

Serviced Offered: (tabular design form)

- Staffing Services
- Managed Solutions
- Selection, Search and RPO
- MSP (Master Service Provider)

Key Highlights for FY24:

- Strong hiring in GCC (Global Capability Centres), however broader IT industry hiring modest
- Hiring in IT staffing expected to remain soft, however, focus on niche profiles and GCC to offset impact.

- IDC controls and cost management strategies to improve margin structures
- Continued investments in IT staffing sales and recruitment staff – SG&A/Revenue at 5.9% vs. 5.4% a year ago.

Focus Areas:

General Staffing:

- Improvement in sourcing capabilities and investments in technology. Specific programs like 'Job Spots', where sourcing will happen closer to the industrial hubs away from the cities;
- Focus on long-term growth and aspire to become the world's largest staffing company by volume, by headcount, alongside margin expansion.

IT Staffing:

- Focus continues to be on niche profiles in GCC and Digital to drive margins
- Cost measures and operational efficiencies will be key drivers for margin improvements.

Overseas Staffing:

- Build IT staffing vertical in Middle East while also increasing our market penetration in General Staffing.
- Diversify general staffing into Malaysia and Singapore markets.

Global Technology Solutions

The Global Technology Solutions (GTS) platform offers a diverse array of services ranging from customer lifecycle management to platform-based solutions, non-voice BPO solutions, and IT services. Over the past four years, structural transformations within the GTS platform have driven sustained margin enhancement. Firstly, there has been a significant increase in the share of international business, particularly in CXM (Customer Experience Management) includes digital business services, and EXM (Employee Experience Management), includes Human Resources operations, which have notably enhanced margins. Secondly, GTS has prioritized higher value services and transitioned towards software-as-a-service platforms. Lastly, ongoing optimization of internal cost structures has further contributed to margin improvement. Since these are structural shifts, the margin profile is expected to stay at these levels.

In FY24, the GTS platform's revenue contribution was 12% of the group's revenue, with its highest-ever EBITDA contribution of ₹ 425 crore. Owing to the aforementioned structural shifts, the GTS margin expanded by ~200 bps to 18.2% in FY24.

Platform Business

Serviced Offered:

HR Outsourcing	InsurTech Platform
• Human Resources Outsourcing includes outsourcing of HR services from on-boarding to payroll processing and compliance management; • Payroll outsourcing services provide the customer with global configurable payroll and tax engines; • SaaS-based solutions include SmartPay, SmartHRMS; • A powerful RPA enabled processing engine, fully customizable, flexible, and scalable Compliance Solutions.	• InsurTech Platform is an on-demand comprehensive suite that covers the entire insurance processing life cycle, leveraging our proprietary solution in combination with partner vendor solutions. • Provides a digital operating system for insurance companies and includes services with subscription-based & outcome-based rental models to process various transactions like policy underwriting and claims. • Industry-leading SaaS solution for Policy, Underwriting, Billing & Claim processing for the North American P&C insurance industry.

Key Highlights for FY24:

- 15.5 million payslips processed during the year – further strengthening a clear market leadership.

Customer Lifecycle Management

Serviced Offered

All facets of the customer experience across traditional voice and emerging omni-channel models built on a strong Digital Operations architecture.

Key Highlights for FY24:

- International Business accounted for 72% of overall CXM revenue in FY24 against 69% in FY23.
- The Allsec Customer Experience Management (CXM) vertical achieved 24% YoY growth, driven by outperformance in the International Business.
- Healthy traction from the healthcare sector in North America was fulfilled by doubling the capacity to ~1,200 seats at the Manila center.

Non-voice BPO

Serviced Offered:

Collections	F&A Outsourcing
• Digital Solutions for Debt Collection • Fraud & Dispute Management • Revenue Cycle Management	• Delivered through a powerful combination of automated tools, analytics-driven decisions, and rapidly scalable processes. • Transaction processing is powered by RPA. • Compliance management to ensure smooth implementation of processes while conforming to regulatory requirements for clients. It involves processes such as monitoring, employing competent experts, liaising with legal consultants, upskilling employees, and mortgage processing.

Key Highlights for FY24:

- Non-voice BPO delivered a robust performance, with annual revenue for the segment growing by 25% in FY24 over FY23.
- Digital IT, along with Non-voice BPO, to drive the margins. Non-Voice BPO has shown steady growth in contribution.

IT Services

Serviced Offered:

Cloud/Infra & Cyber Security:	IT Consulting:
• A Private Cloud-based Platform Solution providing Infra management across Data centers & End-users. • SOC- based Cyber Security monitoring. • Consulting, Migration & System Integration Services	• Leading IT Consulting player for the Canadian Government services sector • Expanding in the Canadian Private Sector • High-value Digital, Business Analytics, and Program Management skills

Analytics/Automation & Digital Testing Services:

- Data warehouse & Business Intelligence in P&C RPA
- Domain-led Digital Testing Services for both Packaged Apps & Custom solutions

Key Highlights for FY24:

- IT Services business, spanning digital engineering, digital applications, Infrastructure Management & Cloud Services and Cyber Security services stayed flat in revenue terms

Focus Areas:

- Digital Transformation practice across Analytics, AI, Customer Experience and Automation tracks for live customers continues to be key focus area in FY25.
- Focused initiatives towards international expansion of Digital IT business.
- Focus on further growing the international business for CXM and EXM verticals in Allsec.
- Consolidate on the success of the healthcare vertical in the North American market.

Operating Asset Management

The OAM offers a range of asset maintenance solutions, from manpower based to managed services, across industry segments. The service offerings include Soft Services, Hard Services, Security Solutions and Industrial asset maintenance. The integrated services and deep domain expertise offered under one roof simplify vendor management for the customers and allow the business to undertake more SLA-based projects.

The OAM platform's revenue grew by 7% YoY and now contributes 15% to the overall group's revenue. Topline growth was lower on account of rationalization of loss making and lower margin contracts, non-linear margin expansion were primarily led by business mix change, led by Food services & Telecom biz and consistent focus on cost to serve.

Consequently, for the full-year, EBITDA margins expanded to 5.0%, a rise of ~50 bps during the year.

Integrated Facilities Management

Quess is a major player in integrated facility management and food solutions, delivering a spectrum of services. Through the integration of skilled personnel, robust processes, and modern technology tools, it enhances functionality, comfort, safety, and efficiency in built environments.

Serviced Offered:

Soft Services	Hard Services	Pest Control	Corporate F&B Services
• Housekeeping, Cleaning & Janitorial • Pantry Services • Waste Management • Landscaping- Softscape, Hardscape and Maintenance • Reception, Reprographic, Concierge & Helpdesk Services • Store Management	• Installation and Maintenance • HT & LT • HVAC System • UPS • Building Management Systems	• Residential, Commercial and Institutional Pest Control • Sterifumigation	• Corporate Cafeteria Operations • Dietary food operations for hospitals • Canteen Operations for educational institutions

Key Highlights for FY24:

- With 3,500 sites and 360 million sq.ft facilities under management, Quess is one of the largest facility management services companies in India.
- Leveraged the skills of 53,000+ associates to deliver exceptional service.
- The Food and Beverage business continued on its growth trajectory and saw a gross margin improvement of 18% for the year.
- Forayed into the healthcare sector with a focus on developing industry-specific capabilities.

Security Services:

Terrier Security is one of the leading integrated security solutions providers in India today. Our systems leverage innovative technologies, such as IoT and analytical solutions, to offer robust security services to clients. From offering Manned Guarding, Asset Management, Video Analytics, and Command Centre-led Business Solutions to Perimeter Intrusion Detection Systems, we provide security services specifically designed to meet client requirements.

Serviced Offered:

- Manned guarding services
- Electronic Security Solutions
- Integrated Security Services

Key Highlights for FY24:

- Major focus was to optimize the business KPIs while also rationalizing low margin contracts.
- Owing to low-margin contract rationalization, there was a sharp uptick in operating margins.
- Industrial and IT services are driving growth in the security business.
- With business consolidation in place, sales pipeline is expected to be robust.

Telecom and Industrial Services:

Vedang Cellular Services is among the top players in the telecom network planning and optimization market, serving major telecom OEMs and operators in India. Apart from that, the OAM platform also provides asset maintenance services for the Industrial sector, services including plant operations, preventive and predictive maintenance, condition monitoring, and shutdown maintenance services.

Serviced Offered:

Telecom (Vedang)	Industrial (Hofincons)
• Telecom Tower installation • Network planning, roll-out and optimization • Performance management	• Operations & Maintenance for: - Steel Plants - Aluminium Smelters - Copper Smelters - Captive Power Plants • Oil & Gas Shutdown services. • Technology and Consulting services

Key Highlights for FY24:

- Vedang Cellular led the revenue growth for the OAM platform with a 29% YoY improvement with a healthy margin profile.
- 5G rollout across India is the biggest contributor to telecom business.

Focus Areas:

- Post-rationalization and business consolidation exercise in FY24, the focus is on healthy topline growth in FY25.
- In IFMS, healthcare, public utilities and BFSI are key drivers. Business to move towards a verticalized structure in FY25.
- F&B and telecom are expected to witness seasonal slowdown in Q1, however, focus on new clients/services strong which would translate to robust growth Q2 onwards.
- Healthy ACV for security business with IT/ITeS being key drivers.

Product-Led Business:

In the product-led business platform, Quess has invested in digital platforms with a view to increase efficiencies, drive productivity and optimize key business processes, offering comprehensive tech solutions for large and mid-size companies to accelerate their workforce hiring, management, engagement, and non-compensation benefit needs.

Among the product-led businesses, foundit (formerly Monster APAC & ME) delivered a strong all-round performance with healthy sales growth and optimization in cash burn. Moreover, in-line with corporate structure simplification, Quess Corp completed its divestment in Qdigi.

Foundit:

During the year, the business successfully launched its disruptive AI product foundit 2.0 for SEA and Asian market and successfully migrated 100% of single geography user customer to foundit 2.0 enabling the existing customer base to experience the new product. With access to talent on and off the market, enriched candidate profiles with smart insights, AI-powered contextual search and outreach personalized by organization, foundit 2.0 offers a comprehensive solution for recruiters to be more agile and efficient.

Post the relaunch, the foundit job portal witnessed healthy traction accompanied by double-digit sales growth for the year. Operational EBITDA also reduced to ₹ 56 crore in FY24 from ₹ 91 crore in FY23. In the last quarter of the financial year, cash burn levels were near zero, led by operational efficiencies. Among operational parameters, there has been a consistent sequential uptick in new search profiles, job postings, profile updates and MAU.

Key Highlights for FY24:

- Added 4 million+ new search profiles to the platform.
- Certified as "Great Place to Work".
- Profile relevancy and search results have improved with foundit 2.0, which has led to an improvement in Q4FY24 consumption.

Focus Areas

- Complete the transition from the discovery platform to outcomes platform.
- Continue a robust growth trajectory with reduced cash burn for the full-year FY25.
- Wider industry focus, with accelerated expansion into non-IT sectors as well.
- Gain market share through a higher share of wallet.

Blue Collar Talent Platform:

This consists of digital assets organized under a common platform to create an end-to-end solution. With its three products, Qjobs, WorQ, and Dash, the company offers a comprehensive tech platform for large and mid-size companies to accelerate their hiring, workforce engagement, and benefits needs.

Serviced Offered:

Qjobs:	WorQ	Dash
• Digital hiring for Blue and Grey collar workforce • Connects verified employers with pre-screened job seekers. • Job seekers are upskilling through certifications and micro learning. • AI-assisted recruiter hiring for on boarding ready candidates.	• Mobile-first, vernacular workforce management and productivity platform • Manage, engage, upskill & boost the productivity of employees on one app. • Dashboards and analytics for CXOs and Managers to drive productivity. • Reduce compliance risk and attrition by building an engaged workforce.	• India's largest Benefits and Engagement platform for Blue and Grey Collar workforce • 200+ benefits from 70+ partners across 12+ categories • Daily micro engagement with 80% monthly repeat rate • Reduces employee attrition by 19%.

FY24 Highlights:

Qjobs:	WorQ	Dash
• Job Seekers: 6.5 million • Job Vacancies: 2.0 million • Candidate-recruiter interactions: 4.5 million • Upskilling engagement: 1.1 million • Recruiters: 9.5K	• Activated Users: 273K • Average Monthly Attendance Managed Users: 123K • Average Monthly Productivity Managed Users: 9K	• Monthly Active Users: 172K • Visits Per User Per Month: 8 times • Annual Gross Transaction Value (GTV) Run Rate: ₹ 76.3 crore.

Qdigi

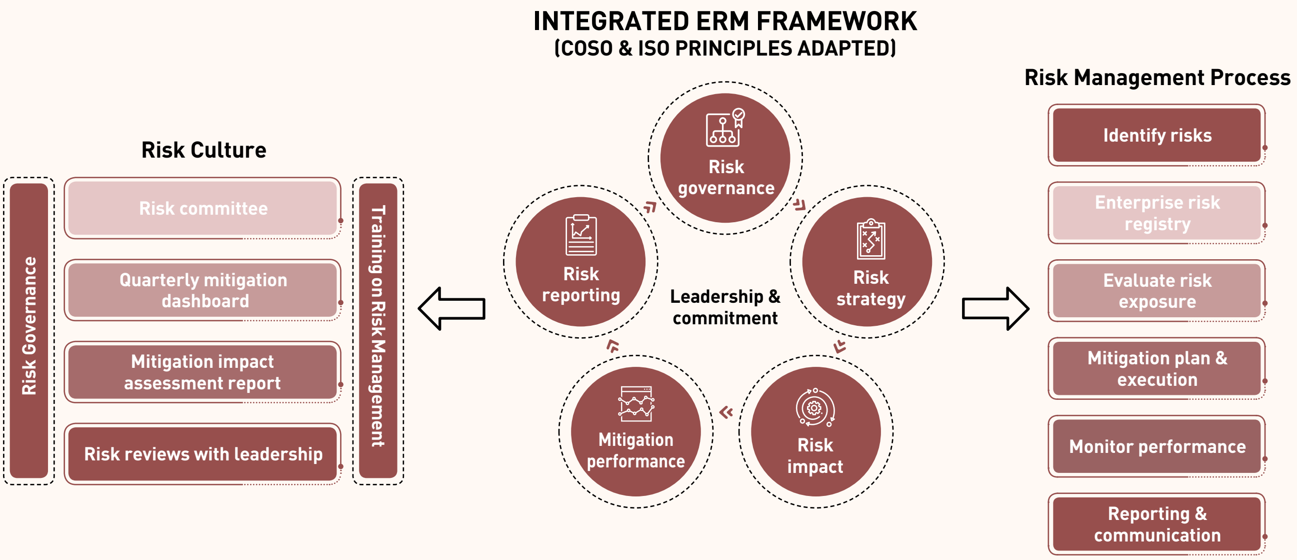
In Q4FY24, Quess Corp completed its divestment in Qdigi, a leading provider of installation and break-fix services. Qdigi serviced close to 2 million service requests every year, adhering to the highest service standards mandated by marquee partners. The business posted annual revenue of around ₹ 371 crores during FY24.

Risk Management

In the ever-evolving business landscape, marked by a strong emphasis on automation, digital transformation, and data protection, the risk dynamics undergo continuous shifts. At Quess, we meticulously evaluate both external and internal factors to identify, assess, control, and effectively manage associated risks. Our meticulously crafted Enterprise Risk Management (ERM) framework, which comprehensively covers all aspects of our operations, enables us to gauge the likelihood and impact of identified risks, ensuring proactive risk mitigation. Anchored by a robust Risk Management Framework, we uphold our commitment to aligning with the company's strategic objectives by comprehensively evaluating risks inherent in our operations.

Risk Management Framework

We've embraced a seamlessly integrated ERM Framework, operationalized throughout the organization by our dedicated Risk Management Team. Tailored to accommodate our diverse business needs, our ERM Framework draws from the standards of COSO and ISO 31000, ensuring alignment with best practices and principles.



Our framework facilitates systematic and proactive risk identification, actively engaging Business Leaders, Functional Heads, and Process Owners. By discerning and mitigating risks, our organization optimizes performance and expedites decision-making. Furthermore, our ERM framework comprehensively identifies strategic, operational, financial, compliance, and sustainability risks, considering both internal and external dimensions across all categories.

Supported by a robust and dynamic internal control system, our ERM Framework boasts the following features:

- Our Board-approved Risk Management Policy delineates a structured and disciplined approach to risk management, aiding strategic decision-making. The Risk Management Committee, composed of Board members and C-suite Executives, diligently reviews and oversees the progress of mitigation plans, offering essential guidance and direction.
- The Corporate-level Risk Management Team maintains constant engagement with independent Internal Auditors to pinpoint areas necessitating strengthened processes and internal controls for enhanced risk management. The Audit Committee conducts in-depth discussions and evaluations of audit findings, including the status of management action plans.
- Business SOPs and policies, alongside centrally issued directives, serve as guiding principles for our internal controls, fortifying our risk management processes.

Risk Category	Description
Strategic Risks	Strategic risk involves uncertainties arising from an organization's leadership decisions on long-term goals, competitive position, and successful execution of strategy. For example, risks associated with business model, service offerings, target markets, etc
Operational Risks	Risks that impact our service delivery and business practices due to inadequate or failed internal processes, systems, or people. For example, risks associated with day-to-day operations, such as errors in procedures, technology failures, and the ability to scale based on business needs.
Financial Risks	Risks affecting the financial stability and profitability of the business, such as SLA management, fluctuations in market conditions, credit defaults, interest rate changes, etc.
Compliance Risks	Non-adherence to central, state, and international laws governing business activities may result in financial and reputational risks. For example, compliance with labour laws, licenses, and permits, etc.
Sustainability Risks	Risk refers to potential threats posed by environmental, social, and governance (ESG) factors that could adversely affect a company's long-term viability and reputation. These factors include carbon footprint, diversity, inclusion, business ethics, etc.

Key Business Risks

Risk	Risk Description	Mitigation Actions
Transformation & Automation	Constant changes in technologies and automation.	In the era of digital transformation, we give much importance to digital needs by constantly improving and updating our digital platforms. We are constantly moving our business to digital and well-organised data management systems thereby improving and providing better customer services and satisfaction to our clients and stakeholders. This helps us to upscale our business and better customer service. Leveraging our industry domain knowledge with technology, helps us provide unique business solutions and value propositions to our customers with our tech-applications such as Qjobs, WorQ, Dash, HR modules, etc.
Cyber Security & Data Protection	Data is of paramount importance, and ensuring its safeguarding is crucial	Our Cyber Security Council, chaired by the Chief Technology Officer and business IT Heads, meets periodically, with a specific focus on cyber security and data protection risks. Furthermore, the Committee monitors emerging practices and technologies to improve IT systems and infrastructure. Firewall and real-time security monitoring systems to secure our IT environment. Initiatives like VAPT, SIEM, DLP, MDM, etc., have significantly strengthened our security posture
Safety at Work	Ensuring employee safety and security in a challenging environment to prevent injuries and casualties.	Our comprehensive Health, Safety and Environment Conservation Policy and the Emergency Procedure Policy govern procedures for our employee safety and incident management. The employee app-based HRMS tool includes an upgraded workflow dedicated to safety incident reporting. The Unified Help Desk (UHD) is responsible for actively monitoring and responding to incidents reported through the app. Mandatory safety training during induction and yearly refreshers, along with job-specific training, boost awareness and adherence to safety protocols.
Diversity & Inclusion	Low productivity of the workforce due to the lack of diversity, inequality, talent, etc.	Quess is dedicated to sourcing talent from diverse backgrounds worldwide, fostering a distinctive work culture that optimizes our potential and enhances our customers' productivity. Our Company's commitment to Equal Employment Opportunity Policy reiterates the organisation's commitment towards non-discrimination of candidates based on age, colour, sex, disability, marital status, race, religion and sexual orientation. Through our partnerships with various NGOs, we successfully induced PWD associates into the workforce. In alignment with the Prime Minister's initiative for NARI SHAKTI, our immediate objective is to enhance gender diversity among core employees to 50% (currently at 36%) through strategic talent acquisitions by next year. Numerous workshops are conducted to attract talent in line with this goal.

Risk	Risk Description	Mitigation Actions
Climate Changes & reduction of Carbon Footprint	Global warming and Company's operations might negatively impact the natural environment	We continue to drive key sustainability initiatives across our businesses, even though we are a low-carbon emitting company. For the year, we could recycle 5.3K+ kgs of paper waste and 20.2K+ Kgs of E-waste . Our central Kitchen waste is sent to state-approved biogas vendors as a part of the waste disposable management policy. Although our electricity consumption has been a key focus area, to further reduce our Scope 2 emissions, we have taken measures such as usage of LED lights across our multiple office locations as a part of green energy initiatives.
Employee Training	Lack of proper training and skills in the workforce will lead to poor productivity & employee satisfaction	Our company is committed to providing utmost importance to proper skill development and upskilling of employees. Our HRMS tool provides mandatory learning for all employees and ensures every employee completes 40 hrs of learning in a year. HRMS tool constantly gets updated with new courses and modules to provide a wide range of knowledge to develop both technical and soft skills required for the growth and development of the employee, which boosts their productivity. In addition to the skill enhancement modules, compliance-based modules such as CoC, POSH, Insider Trading, ESG, ERM, etc. are completed by all employees annually. In FY24, employees underwent an avg. of ~ 43 hrs of training.
Compliance with labour laws	Lack of tracking and adherence to labour laws and regulations might seriously disrupt business operations, loss of reputation including fines and penalties	Given our diversified staffing business across multiple industries and sectors, there is an increased risk of non-compliance with regulatory labour requirements. Our central compliance team, along with the business compliance team, consistently monitor adherence to labour laws at central, state, and local levels. Important compliances like minimum wages, PF, ESI, PT, LWF, Gratuity, etc., are regularly tracked and reported periodically across the businesses

Our approach to risk management is designed to provide reasonable, but not absolute, assurance that our assets are safeguarded and the business risks are being assessed and mitigated. All information that must be disclosed, is reported to the senior management including the Chairman, Group CEO, Group CFO, Audit Committee and the Risk Management Committee of the Board.

Internal Control Systems and their Adequacy

The Company maintains a robust Internal Control System (ICS), meticulously aligned with the provisions of the Companies Act, 2013, and tailored to the scale, scope, and intricacy of its business operations. The Board of Directors has established internal financial controls through comprehensive policies and procedures, duly adopted by the company. These measures ensure the smooth and effective functioning of its business, compliance with all pertinent laws, regulations, and directives from regulatory bodies, protection of assets, authorization of transactions, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

Grant Thornton Bharat LLP conducts internal audit reviews, with the scope and authority stipulated by the Audit Committee. To maintain independence, the Internal Auditor reports directly to the Chairman of the Audit Committee. The Internal Auditor diligently monitors and evaluates the efficiency of the company's ICS, ensuring adherence to laws and accounting policies. Management meticulously reviews these reports and implements corrective actions to bolster controls. Summaries of periodic audit findings are presented to the Audit Committee.

The Audit Committee, comprising six directors, four of whom are independent as mandated by Section 177 of the Act, convenes quarterly to review the Internal Audit reports submitted by the Internal Auditor. The Committee meticulously scrutinizes and evaluates key audit findings to ensure the robustness of financial and internal controls, risk management systems, and processes. Regular audits and reviews serve to reinforce these systems. The internal auditor provides quarterly updates to the Committee on the status of key audit findings to ensure swift implementation of resolutions.

Deloitte Haskins and Sells LLP, the company's statutory auditors, audit our financial statements and issue a report on our internal controls over financial reporting, as defined under Section 143 of the Companies Act, 2013, which is included in our annual report. Additionally, in accordance with Section 177 of the Companies

Act, 2013, read with Regulation 17 of SEBI (LODR) Regulations, 2015, the Statutory Auditors, along with the Audit Committee, have opined that the company maintains, in all material respects, an adequate internal financial controls system over financial reporting and that such controls operated effectively during the year.

Management views the enhancement of ICS as an ongoing endeavour and will persist in efforts to fortify controls, with a focus on preventive and automated measures over manual ones. The company boasts robust ERP and other supplementary IT systems, integral components of its internal control framework. Continual technological advancements are leveraged to further fortify internal controls.

BOARD'S REPORT

Dear Members,

Your Board takes pleasure in presenting the Seventeenth Annual Report of Quess Corp Limited ("**the Company**" or "**Quess**") along with the audited financial statements (Standalone and Consolidated) for the financial year ended March 31, 2024 (**"the year under review" or "the year" or "FY24"**) in compliance with the applicable provisions of the Companies Act, 2013 ("**the Act**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. **Financial Summary: Standalone and Consolidated**

The standalone and consolidated financial highlights of the Company's operations are as follows:

Particulars	(₹ in millions, except per equity share data)			
	Consolidated		Standalone	
	FY24	FY23	FY24	FY23
Revenue from operations	191,001.33	171,583.87	155,711.84	136,379.33
Other Income	294.53	263.35	1,611.69	780.86
Total Income	191,295.86	171,847.22	157,323.53	137,160.19
Cost of material and stores and spare parts consumed	4,771.95	4,794.39	1,877.91	1,807.64
Employee benefit expenses	165,567.73	146,595.61	139,014.18	120,386.62
Other expenses	13,726.55	14,337.25	9,999.99	9,899.18
Finance Costs	1,173.23	1,066.08	911.04	880.63
Depreciation and Amortization Expense	2,831.95	2,746.12	1,852.32	1,784.10
Total Expenses	188,071.41	169,539.45	153,655.44	134,758.17
Share of Profits/(loss) in Associates	(0.69)	0.84	0.00	0.00
Profit/(loss) before exceptional items and tax	3,223.76	2,308.61	3,668.09	2,402.02
Exceptional items	271.59	(535.03)	506.24	8.90
Profit/(Loss) Before Tax	2,952.17	2,843.64	3,161.85	2,393.12
Tax Expense/Credit	(148.13)	(614.55)	267.36	(314.53)
Profit/(Loss) for the year	2,804.04	2,229.09	3,429.21	2,078.59
Total Comprehensive Income for the year	2,548.43	2783.62	3,216.52	2,152.20
Basic EPS (in ₹)	18.72	15.16	23.11	14.03
Diluted EPS (in ₹)	18.61	15.04	22.97	13.93

Previous year figures have been regrouped/rearranged wherever necessary.

A detailed performance analysis of various segments, business and operations are provided in the Management Discussion and Analysis which forms part of this Report.

2. **Reserves:**

There is no amount proposed to be transferred to the reserves during the year under review.

3. **Transfer of unclaimed dividend / unpaid dividend / shares to Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company and corresponding shares, are liable to be transferred to the Investor Education and Protection Fund.

During the year, there were no unclaimed dividend and corresponding shares which were due to be transferred by the Company.

Details of unclaimed dividends and related shareholder information are available on the Company's website at Quess Corp Investor Information at https://www.quesscorp.com/investor-relations/. Shareholders are encouraged to review their records and claim their dividends for the past years, if they have not already done so.

4. Dividend:

In accordance with Regulation 43 of the Listing Regulations, the dividend pay-out is in accordance with the Company's Dividend Distribution Policy which details various parameters based on which the Board may recommend or declare dividend, usage of retained earnings, etc. This Policy is available on the Company's website at: https://www.quesscorp.com/investor/dist/images/pdf/Policies/Dividend_Distribution_Policy.pdf.

Based on the principles enunciated in the above Policy in line with the practice of returning substantial free cash flow to shareholders and based on the Company's performance, your Company paid the Interim dividend of ₹ 4 per equity share of ₹10 each aggregating to ₹ 593.91 million to equity shareholders during FY24, declared by the Board on February 2, 2024. The Board has recommended a final dividend of ₹ 6 per equity share of ₹ 10 each on May 9, 2024. The final dividend on equity shares, if approved by the shareholders, would result in a cash outflow of ₹ 892 million (approx).

5. Share Capital:

During the year under review, the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its order dated October 31, 2023 sanctioned the Scheme of Amalgamation between MFX lnfotech Private Limited, Greenpiece Landscapes India Private Limited and Conneqt Business Solutions Limited **("Transferor Companies")** with Quess Corp Limited **("Transferee Company")** and their respective shareholders and creditors **("Scheme")**. The Company filed Form INC-28 with the jurisdictional Registrar of Companies on November 30, 2023 pursuant to which the authorised share capital of the Company increased from ₹ 2,000 million to ₹ 3,938.5 million, on implementation of the Scheme.

Further, the paid-up share capital of the Company has also been increased from ₹ 1,482.29 million to ₹ 1,485.09 million on account of allotment of shares against the exercise of options granted/vested under the following share-based benefit schemes:

a. Quess Corp Limited - Employee Stock Option Scheme 2015 ("ESOP 2015")

The Nomination and Remuneration Committee **("NRC")** vide resolution dated September 11, 2023 allotted 25,520 equity shares of ₹ 10 each to the eligible employees & ex-employees of the Company who exercised their options under ESOP 2015.

b. Quess Stock Ownership Plan-2020 ("QSOP 2020")

NRC vide resolutions dated June 23, 2023; September 11, 2023; December 14, 2023 and March 14, 2024 allotted 1,57,447; 7,459; 58,406 and 31,064 equity shares respectively of ₹ 10 each to the eligible employees of the Company who exercised their Restricted Stock Units **("RSU")** under QSOP 2020.

The Company has not issued any debentures, bonds, sweat equity shares, any shares with differential rights or any non-convertible securities during the year under review.

6. Commercial Paper:

The Company has issued Commercial Papers (CPs) from time to time, which were duly redeemed based on the maturity dates. As on March 31, 2024, the outstanding balance of CPs is ₹ 750 million.

7. Subsidiaries and Associate Companies:

Pursuant to the provisions of Section 129(3) of the Act, a separate statement containing the salient features of the financial statements of all subsidiaries and associate companies / joint ventures of the Company (in Form AOC - 1) is attached to the financial statements of the Company.

In terms of Section 134 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of the subsidiaries are given as an annexure to the Consolidated Financial Statements.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with audited financial statements of the subsidiaries, are available on the Company's official website at: https://www.quesscorp.com/ financial-information/

The Company has a policy for determining the materiality of subsidiaries and the same is uploaded on the Company's website which can be accessed using the following link- https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf

In terms of the above policy, Conneqt Business Solutions Limited, which was a material subsidiary of the Company within the meaning of Regulation 16(c) of the Listing Regulations during the last financial year has been merged with the Company vide Hon'ble NCLT, Bengaluru bench order dated October 31, 2023 as stated above.

Quesscorp Holdings Pte. Ltd, Singapore continues to be a material subsidiary of the Company.

There has been no material change in the nature of the business of the subsidiaries.

The Company has 31 Subsidiary Companies comprising 12 Indian Companies and 19 Foreign Companies. Further, there are 1 Indian and 2 Foreign Associate Companies.

8. Significant Developments in FY24:

a) Merger under Section 230 and 232 of the Act:

During the year under review, the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its order dated October 31, 2023 sanctioned the

Scheme of Amalgamation between MFX Infotech Private Limited, Greenpiece Landscapes India Private Limited and Conneqt Business Solutions Limited **("Transferor Companies")** with Quess Corp Limited **("Transferee Company")** and their respective shareholders and creditors **("Scheme")**. Pursuant to the same, Transferor and Transferee Companies have implemented the Scheme by filing certified copy of the order passed by the Hon'ble NCLT, Bengaluru Bench with the jurisdictional Registrar of Companies on November 30, 2023.

As a consequence of the implementation, Conneqt Business Solutions Limited's 73.39% ownership stake in Allsec Technologies Limited **("Allsec")** has been transferred to the Company. Accordingly, Quess is now Allsec's holding Company holding 73.39% of total equity shareholding in the Promoter category as of March 31, 2024.

b) Composite Scheme of Arrangement between Quess Corp Limited **("Demerged Company")**, Digitide Solutions Limited **("Resulting Company 1")** and Bluspring Enterprises Limited **("Resulting Company 2")** and their respective shareholders and creditors.

The Board at its meeting held on February 16, 2024, announced a three-way demerger of its diversified businesses to serve customers better, unlock value for our shareholders and to strategically position our businesses to leverage rapidly evolving opportunities in India's growth story.

The demerger will ultimately result in three separate listed companies, namely:

1. **Quess Corp Ltd:** Workforce Management (Remaining Company /Demerged Company)
2. **Digitide Solutions Ltd:** BPM solutions, Insurtech and HRO business (Resulting Co.1)
3. **Bluspring Enterprises Ltd:** Facility Management, Industrial Services and Investments (Resulting Co.2)

Over the last decade, Quess Corp Ltd. has emerged as India's leading business services provider, extending its footprint to 10 countries, with a substantial workforce of over 567,000 associates across four distinct business platforms. These platforms deliver a superior customer experience, serving over 3,000 clients across diverse sectors. The platforms include Workforce Management, the largest staffing firm in India and among the top 5 globally, by headcount; Global Technology Solutions, among the leading domestic BPM and payroll services firms; Operating Asset Management, the largest facility management platform in India by the breadth of services offered; and Product-Led Businesses (foundit, the second-largest talent acquisition platform in India). Overall, Quess has achieved scale in each platform and they are strategically, operationally, and financially positioned to become independent listed companies with a focus on growing in their chosen area.

The three entities are ideally placed to capitalize on India's growth trajectory as the country marches towards a $5 trillion economy.

The rationale for the Demerged is as follows:

i. Simplified corporate structure by separation of scaled platforms into independent entities, each with a strong market positioning
ii. Enhanced strategic clarity and management focus to accelerate profitable growth
iii. Optimal capital allocation strategy for each entity to invest behind its strategic priorities
iv. Flexibility for each entity to pursue independent and differentiated strategies to drive value creation
v. Ability for each entity to create a compelling investor proposition and attract investors

Upon effectiveness of the scheme, all shareholders will receive one additional share for each of the Resulting companies, for every share held in Quess Corp Ltd.

c) Acquisition / Investments / Disinvestments during the Year:

Quess's strategy supports value creation for its clients and growth for the organisation through multiple ideologies and consideration of the stakeholders' priorities. Your Company focuses its efforts and investments through organic and inorganic modes on maximum results, going deeper in areas where it believes it has strength, defocusing on others, and scaling up to secure leadership positions.

- The Board approved the purchase of additional 4.5% equity shares of Vedang Cellular Services Private Limited **("Vedang")** from its erstwhile Promoter, Mr. Ashish Kapoor as per the Shareholder's Agreement for ₹6.05 crores. Consequently, the Company holds 96.97% equity shares in Vedang.
- The Board also approved an additional investment of ₹ 40 lakhs by way of primary investment and ₹ 6.80 crores by conversion of unsecured loan into fully paid up equity shares in Stellarslog Technovation Private Limited **("Taskmo")**, thereby increasing the equity stake from 53.91% to 100% and Taskmo became a wholly-owned subsidiary of the Company w.e.f November 6, 2023.
- As part of an internal restructuring of overseas business operations of the Company, the Board approved the acquisition of 56% stake in Mfxchange Holdings Inc., Canada **("MFX")**, a foreign step-down subsidiary for a total consideration not exceeding USD 20.40 million (equivalent to SGD 27.15 million) from Quesscorp Holdings Pte Ltd, Singapore, a wholly-owned subsidiary. With this,

MFX became a direct subsidiary of the Company, without any change in the ultimate shareholding of the Company in MFX.

- Quess Services Limited, a wholly owned subsidiary in Bangladesh, was dissolved with effect from March 20, 2024, by way of voluntary liquidation as approved by the Registrar of Joint Stock Companies and Firms (RJSC).This subsidiary was not having any revenue in the previous year.
- The Board approved disinvestment of 100% of equity investment held by the Company in Qdigi Services Limited **("Qdigi")** to Onsite Electro Services Private Limited **("Onsite")** pursuant to the Share Purchase and Investment Agreement entered between them and the Company. The disinvestment process was completed and Qdigi ceased to be a subsidiary of the Company. In connection with the said disinvestment, an Investment Agreement dated July 12, 2019 entered into between the Company and Amazon.Com NV Investment Holdings LLC in respect of Qdigi has also been terminated.

  Further, pursuant to the aforementioned Agreement, the Company invested ₹ 35 crores for the subscription of 56,500 Compulsorily Convertible Preference Shares of Onsite.
- The Board approved an additional acquisition of 39.33% equity shares in Heptagon Technologies Private Limited **("Heptagon")**, a subsidiary Company for a purchase consideration of ₹ 1.5 crores. With this, the Company's stake in Heptagon increased from 60.67% to 100% thereby making Heptagon a wholly-owned subsidiary of the Company w.e.f March 30, 2024.

9. Particulars of Loans, Guarantees or Investments:

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V to the SEBI Listing Regulations, disclosure on particulars relating to Loans, Guarantees and Investments are provided as part of the Notes to financial statements.

10. Management Discussion & Analysis:

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this Report.

11. Directors and Key Managerial Personnel (KMPs):

a) Director retiring by rotation –

In accordance with the provisions of Section 152 of the Act read with rules made thereunder and the Articles of Association of the Company, Mr. Gopalakrishnan Soundarajan (DIN: 05242795), Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting **("AGM")** and being eligible, has offered himself for re-appointment. A resolution seeking shareholders' approval for his re- appointment forms part of the AGM Notice.

b) Appointment and Resignation of Directors and KMPs-

Pursuant to the provisions of Section 203 of the Act, Mr. Guruprasad Srinivasan, Executive Director and Group Chief Executive Officer, Mr. Kamal Pal Hoda, Group Chief Financial Officer and Mr. Kundan Kumar Lal, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as on March 31, 2024.

During the year under review, there have been no changes in the Directors and KMPs of the Company.

c) Declaration of Independence –

The Company has received declarations from the Independent Directors that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) and 25 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them to attend meetings of the Board/ Committees of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors under Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

12. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and information and explanations received from the Company, confirm that:

a) in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;

b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared annual accounts of the Company on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) they have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

13. Annual Board Evaluation and Familiarization Programme for Board members

In line with the Corporate Governance practices of the Company, an annual performance evaluation was conducted for each Director as well as the overall working of the Board and its Committees. The Board of Directors and NRC have carried out an annual evaluation of its own performance, the performance of its Committees and Individual Directors of the Company, including the Chairman of the Board, pursuant to the provisions of the Act and the Listing Regulations for FY24.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of the Independent Directors held in compliance with the requirements of Regulation 25(7) of the Listing Regulations, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and Non-Executive Directors.

The Board also assessed the fulfillment of the independence criteria as specified in the Listing Regulations, by the Independent Directors of the Company and their independence from the management.

The familiarization programme aims to provide insight to the Independent Directors so that they can understand the company's business, its stakeholders, leadership team, senior management, operations, policies, and industry perspectives and issues.

In addition to regular updates/familiarisation on the regulatory changes, as applicable to the Company, a specific familiarisation programme for all the Independent Directors was held on March 27, 2024.

A note on the Familiarization programme adopted by the Company for orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Act and the Listing Regulations is referred herewith is made available on the Company's official website at - https:// www.quesscorp.com/investor/dist/images/pdf/Policies/Directors_Familiarization_Programme.pdf

14. Business Responsibility and Sustainability Report:

As stipulated under Regulation 34(2)(f) of the Listing Regulations, the Company's report on Business Responsibility and Sustainability, which describes the initiatives taken by the Company from environmental, social, and governance perspectives, forms part of this Report as **'Annexure—A'.**

15. Auditors & Auditors' Report:

a) Statutory Auditors–

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder the shareholders at the 16th AGM held on September 26, 2023 reappointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366 W/W - 100018) as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years. Accordingly, the second term of the Statutory Auditors expires on the conclusion of the 21st AGM. The Statutory Auditors have confirmed that they are not disqualified to continue as the Statutory Auditors and are eligible to hold office as the Statutory Auditors of your Company.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is self-explanatory. Clarifications, wherever necessary, have been included in the notes to the Financial Statements section of the Annual Report.

Explanation to Auditors' Comment:

The Auditors' modified opinion has been appropriately dealt with in Note No. 41.4 (Consolidated Financial Statements) and Note No. 38.4 (Standalone Financial Statements) and doesn't require any further comments under section 134 of the Act.

The Independent Auditors Report is enclosed with the financial statements in this Report. During the year under review, the Auditors have not reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3) (ca) of the Act.

b) Secretarial Auditors–

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had approved the re-appointment of Mr. S.N. Mishra, proprietor of M/s. SNM & Associates, Practicing Company Secretary (C.P. No. 4684) as the Secretarial Auditor to undertake the Secretarial Audit of the Company for FY24. The Company had also received written consent from Mr. S. N. Mishra to act as such.

The Secretarial Audit Report for FY24 is annexed as '**Annexure – B**' and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification or adverse remark for the year under review. During the year under review, the Secretarial Auditors have not reported any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3) (ca) of the Act.

Further, as per the amended Regulation 24A of the Listing Regulations, the Secretarial Compliance Report of the Company for the financial year ended March 31, 2024 is annexed as '**Annexure – C**'.

c) Internal Auditors-

The Board, on recommendation of the Audit Committee had approved the appointment of M/s. Grant Thornton Bharat LLP as the Internal Auditors of the Company for FY24 to conduct the audit on the basis of a detailed internal audit plan which is finalized in consultation with the Audit Committee. The Internal Auditors submit their findings and report to the Audit Committee of the Company on a quarterly basis.

d) Cost Audit -

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act, is not required by the Company and accordingly, such accounts and records are not maintained.

16. Risk Management:

We have embraced an integrated Enterprise Risk Management (ERM) framework operationalised throughout the organisation by our dedicated Risk management team. Tailored to accommodate our diverse business needs, our ERM Framework draws from the standards of COSO and ISO 31000, ensuring alignment with best practices and principles.

Our framework facilitates systematic and proactive risk identification, actively engaging Business Leaders, Functional Heads, and Process Owners. By discerning and mitigating risks, our organisation optimises performance and expedites decision-making. Furthermore, our ERM framework comprehensively identifies strategic, operational, financial, compliance, and sustainability risks, considering both internal and external dimensions across all categories.

Supported by a robust and dynamic internal control system, our ERM Framework boasts the following features:

- Our Board-approved Risk Management Policy delineates a structured and disciplined approach to risk management, aiding strategic decision-making. The Risk Management Committee, composed of Board members and C-suite Executives, diligently reviews and oversees the progress of mitigation plans, offering essential guidance and direction.
- The Corporate-level Risk Management Team constantly engages with independent Internal Auditors to pinpoint areas necessitating strengthened processes and internal controls for enhanced risk management. The Audit Committee conducts in-depth discussions and evaluations of audit findings, including the status of management action plans.
- Business SOPs and policies, alongside centrally issued directives, serve as guiding principles for our internal controls, fortifying our risk management processes.

The Risk Management policy, as approved by the Board, is displayed on the official website of the Company and can be accessed by using the link - https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf

17. Internal Financial Control Systems and their adequacy:

The Company maintains a robust Internal Control System (ICS), meticulously aligned with the provisions of the Companies Act, 2013, and tailored to the scale, scope, and intricacy of its business operations. The Board of Directors have established internal financial controls through comprehensive policies and procedures duly adopted by the company. These measures ensure the smooth and effective functioning of its business, compliance with all pertinent laws, regulations, and directives from regulatory bodies, protection of assets, authorisation of transactions, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

M/s. Grant Thornton Bharat LLP conducts internal audit reviews, with the scope and authority stipulated by the Audit Committee. To maintain independence, the Internal Auditor reports directly to the Chairman of the Audit Committee. The Internal Auditor diligently monitors and evaluates the efficiency of the company's internal control system, ensuring adherence to laws and accounting policies. Management meticulously reviews these reports and implements corrective actions to bolster controls. Summaries of periodic audit findings are presented to the Audit Committee.

During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY24 and their adequacy is included in the Management Discussion and Analysis, which forms part of this Report.

18. Related Party Transactions:

All Related Party Transactions entered during FY24 were on an arm's length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. Prior Omnibus approval has been obtained from the Audit Committee for the related party transactions which are repetitive in nature, based on the criteria approved by the Board. In case of transactions which are unforeseen, the Audit Committee grants an approval to enter into such unforeseen transactions, provided the transaction value does not exceed the limit of ₹1 Crore per transaction, in a financial year. The Audit Committee reviews all transactions entered into pursuant to the Omnibus approvals so granted on a quarterly basis. Pursuant to Regulation 23(9) of the Listing Regulations, the Company has filed reports on related party transactions with the Stock Exchange(s).

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties, if any, pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in '**Annexure – D**' in Form AOC-2 and the same forms part of this report. Details pertaining to the related party transactions entered during the year under review are also provided in the notes to the Financial Statements, forming part of this Report.

The Company has adopted a policy for dealing with Related Party Transactions and is made available on the Company's website at – https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf

19. Nomination and Remuneration Committee and Company's Policy on Nomination, Remuneration, Board Diversity, Evaluation and Succession:

a) Policy on Director's Appointment and Remuneration–

In compliance with the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Board, on the recommendation of NRC has approved the criteria for determining qualifications, positive attributes, and independence of Directors in terms of other applicable provisions of the Act and the rules made thereunder, both in respect of Independent Directors and other Directors, as applicable. The Board has adopted a policy which provides for the appointment of Directors, viz. educational and professional background, general understanding of the Company's business dynamics, global business and social perspective, personal achievements and Board diversity, removal and remuneration of Directors, Key Managerial Personnel **("KMP")** and Senior Management Personnel and also on succession planning and evaluation of Directors. The policy on remuneration is available on our website at: https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf

b) Board Diversity –

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will leverage differences in thought, perspective, knowledge and industry experience and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial, global business, leadership, technology, mergers & acquisitions, Board service, strategy, sales and marketing, Environment, Social and Governance (ESG), risk and cybersecurity and other domains, to help us retain our competitive strength. The Company has evaluated the policy with the purpose of ensuring adequate diversity in its Board of Directors, which enables them to function efficiently and foster differentiated thought processes at the back of varied industrial and management expertise. The Board recognizes importance of diverse composition and has therefore adopted a Board Diversity Policy. The policy is made available on the Company's website which can be accessed at the web link - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Board-Diversity.pdf

Additional details on Board diversity are available in the Corporate Governance Report.

20. Criteria for making payments to Non-Executive Directors:

The criteria for making payment to Non-Executive Directors is available on the website of the Company at – https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf

21. Employee Stock Option Plan ("ESOP")/Restricted Stock Units ("RSUs"):

The Company grants share-based benefits to its eligible employees to attract and retain the best talent, encouraging employees to align individual performances with the Company objectives and promoting increased participation by them in the growth of the Company. The Company has instituted employee stock option schemes, namely-

1) Quess Corp Limited - Employees' Stock Option Scheme, 2015; and

2) Quess Stock Ownership Plan-2020.

A detailed disclosure with respect to stock options containing details as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and SEBI Circular dated June 16, 2015, has been uploaded on the official website of the Company at - https://www.quesscorp.com/investor-other-information/.

M/s. SNM & Associates, Practicing Company Secretary (C.P. No. 4684), has certified that the aforementioned employee stock option plans of the Company which have been implemented in accordance with the regulations and the resolutions passed by the shareholders in this regard.

22. Particulars of Employees:

The Company is required to give disclosures under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as '**Annexure – E**' and forms an integral part of this Report.

The statement containing the top 10 employees on roll and particulars of employees employed throughout the year whose remuneration is more than ₹ 10.20 Million or more per annum and employees employed part-time and in receipt of remuneration of ₹ 0.85 Million or more per month as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forms an integral part of this Report. However, the same is not being sent along with this Annual Report to the members of the Company in line with the provision of Section 136 of the Act. Members interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

The aforesaid annexure is also available for inspection by the Members at the Registered Office of the Company during business hours on working days, 21 days before and up to the date of the ensuing AGM.

23. Corporate Governance:

Your Company has implemented governance practices that are prevalent globally. The Corporate Governance Report and the Auditor's Certificate regarding compliance with Corporate Governance conditions are part of the Annual Report.

24. Vigil Mechanism/ Whistle Blower Policy:

In compliance with Section 177(9) of the Act and Regulation 22 of Listing Regulations, the Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with the above laws, to report concerns about unethical behaviour, violations of system, actual or suspected fraud or grave misconduct by the employees. The details of the Policy have been disclosed in the Corporate Governance Report, which forms part of this report and is also available on the website of the Company - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf

No member has been denied access to the Audit Committee during the year.

25. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The Company, being in the service industry, requires minimal energy consumption, and every endeavour is made to ensure optimal use of energy, avoid wastage and conserve energy as far as possible. The Company is committed towards the conservation of energy and climate action, which is reaffirmed in its Environmental Sustainability Report available on the website of the Company - https://www.quesscorp.com/sustainability/

The company has successfully implemented diverse energy efficiency initiatives across all its offices. These initiatives include:

a. Managing energy usage with Temperature controls for Air Conditioners - Implementing temperature controls to optimise air conditioning usage, reducing unnecessary energy consumption while maintaining a comfortable environment for employees.

b. Switch On & Off Policy—Enforce a strict policy to ensure all non-essential electrical equipment and lighting are switched off when not in use, particularly during non-working hours. This simple yet effective measure helps minimize energy waste.

c. Transition to Renewable Energy - Switching to renewable energy sources, such as solar power, in several identified offices. This shift not only reduces our carbon footprint but also promotes sustainable energy use within our operations.

These energy efficiency measures are part of our broader commitment to sustainability and responsible resource management, aligning with our Environmental, Social, and Governance (ESG) goals.

The Company is a pioneer in workforce management and technology and has used information technology extensively in its operations. It has an in-house information technology team that constantly works on the adoption and implementation of new technology into the company's businesses.

The details of Foreign exchange earnings and outgo are given below:

- Expenditure in foreign currency: ₹ 384.80 million
- Earnings in foreign currency: ₹ 3,432.75 million

26. Corporate Social Responsibility ("CSR"):

The Company believes in building and maintaining a sustainable societal value, inspired by a noteworthy vision to actively participate, contribute and impact not just individual lives but create a difference on a social level as well. CSR initiatives are primarily carried out through the Quess Foundation. The Company has filed Form CSR-2 for the financial year 2022-23 and will be filing the aforesaid form for FY24 along with Form AOC-4, as prescribed under the provisions of the law.

The contribution of the Company towards various CSR activities during the financial year 2023-24 is ₹ 15.71 million. CSR spending is guided by the vision of creating long-term benefits for Society.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established the CSR Committee.

The Board has adopted the CSR Policy, as formulated and recommended by the CSR Committee, which was amended by the Board of Directors at their meeting held on May 17, 2023 to align the same with statutory amendment and is available on the Company's website at – https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf

The disclosure of contents of CSR policy pursuant to the provisions of Section 134(3)(o) of Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as '**Annexure - F**' to the Board's Report.

27. Deposits:

Your Company has not accepted any deposits under Chapter V of the Act during the financial year and as such, no amount on account of principal or interest on deposits from public is outstanding as on March 31, 2024.

28. Details of significant and material orders passed by the Regulators/Courts/Tribunals:

No significant and material orders passed by the Regulators, Courts, or Tribunals that would impact the company's going concern status and future operations.

29. Debentures:

As on March 31, 2024, the Company does not have any debentures.

30. Credit Rating:

In order to comply with Basel-II norms, the Company has received credit ratings from ICRA Limited concerning the Company's long-term and short-term fund-based limits. ICRA has reaffirmed the credit ratings assigned to the Bank facilities of the Company and has enhanced its limit for the Commercial Paper Programme as follows:

Instrument	Rating Action
Long-term – Fund-based Limits	[ICRA]AA (Stable); reaffirmed
Short-term – Non-fund Based Limits	[ICRA]A1+; reaffirmed
Short-term – Interchangeable Limits	[ICRA]A1+; reaffirmed
Commercial Paper (CP)	[ICRA]A1+; reaffirmed and assigned to enhanced limit

Further, on February 27, 2024, ICRA has placed its ratings on all instruments of the Company on **"Watch with developing Implications"**.

31. Meetings of the Board:

The Board met six (6) times during the year under review. The particulars of the meetings held and attendance of the Directors in the meetings are detailed in the Corporate Governance Report that forms part of this Report.

32. Annual Return:

In terms of Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return as on March 31, 2024 is available on the Company's website at - www.quesscorp.com/investor-other-information

33. Information Required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

Your Company is committed to providing a safe and conducive work environment to its employees and has zero tolerance for any actions that may constitute sexual harassment at the workplace.

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. There are regular sessions offered to all employees to increase awareness on the topic and the Committee and other senior members have undergone a training session.

An Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, has been constituted to enquire into complaints, and to recommend appropriate action, wherever required, in compliance with the provisions of the Act. Details of complaints pertaining to sexual harassment that were filed, disposed-off and pending during the financial year are provided in the Report on Corporate Governance, which forms part of this Report.

34. Code of Conduct:

The Company has laid down a Code of Conduct for the Directors and senior management of the Company. As prescribed under Regulation 17 of the Listing Regulations, a declaration signed by the Executive Director and Group CEO affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for FY24 forms part of the Corporate Governance Report.

35. Material changes and commitments affecting financial position between the end of the financial year and the date of the report:

No material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of your Company and date of this report.

36. Cyber-security:

The Company is committed to provide a secure IT environment across various systems and infrastructure, by establishing best practices and standards for Cyber-Security.

Embracing a proactive approach to cyber-security, we harness the power of Security Information and Event Management (SIEM) tools that adhere to ISO 27001 standards. These sophisticated tools empower us to methodically fortify our information fortress, tirelessly monitoring our network for any signs of intrusion.

To bolster the security of our mission-critical applications and support our dispersed workforce, we conduct regular Vulnerability Assessment Penetration Testing (VAPT), swiftly remedying any detected vulnerabilities. Furthermore, migrating our applications to the cloud enhances our operational resilience and underscores our commitment to adaptability and innovation in safeguarding our digital assets.

Moreover, to steer our cybersecurity initiatives with precision and depth, we've convened a dedicated council comprising esteemed stakeholders, led by our Chief Digital Officer. This council, fortified by platform and business IT leaders, convenes regularly to scrutinise and fortify our security posture and protocols, ensuring we remain steadfast and adaptive in safeguarding our digital realm against emerging threats.

37. Other Disclosures:

- The Company's ESG Report for the financial year ended March 31, 2024 prepared in accordance with GRI Standards will be available at our Company's website, at https://www.quesscorp.com/sustainability/

- During the financial year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year – Not Applicable.
- Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by your Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act) – Not Applicable.

38. Acknowledgements:

The Board wishes to express its sincere gratitude and appreciation for the efforts made by your Company's employees to achieve encouraging results. The Board also wishes to thank the shareholders, distributors, vendors, customers, bankers, government, and all other business associates forming part of the Quess family for their continued support and cooperation during the year.

For and on behalf of the Board of Directors of **Quess Corp Limited**

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Place: Bengaluru
Date: May 09, 2024

ANNEXURE – A

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	L74140KA2007PLC043909
2	**Name of the Listed Entity**	Quess Corp Limited
3	**Year of incorporation**	2007
4	**Registered office address**	3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru - 560103, Karnataka, India
5	**Corporate address**	3/3/2 Bellandur Gate, Sarjapur Main Road, Bengaluru - 560103, Karnataka, India
6	**E-mail**	investor@quesscorp.com
7	**Telephone**	08061056001
8	**Website**	www.quesscorp.com
9	**Financial year for which reporting is being done**	1 April 2023 to 31 March 2024
10	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	**Paid-up Capital**	₹ 1,485.10 million
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Kundan K Lal Vice President & Company Secretary 080-61056001 cosecretary@quesscorp.com
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	The disclosures under this report are made on a consolidated basis. Quess Group comprises of Quess Corp Limited and its Subsidiaries, the details of which are given in point No. 23 of Section A of Business Responsibility and Sustainability Report (BRSR) and on page 67 of the Annual Report FY 2023-24. All these entities are considered for the purpose of financial consolidation; however, for the purpose of reporting data and information in BRSR, we have considered Quess Corp Limited, its 12 Subsidiaries based on the management's assessment, the list of which are given as appendix to BRSR.
14	**Name of assurance provider**	Not Applicable (As per the SEBI Applicability Criteria)
15	**Type of assurance obtained**	Not Applicable (As per the SEBI Applicability Criteria)

II: Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Workforce Management	End-to-end HR services, from customized staffing services, expert talent acquisition, search and recruitment, payroll compliance, training and skill development, to manpower management	70.38%
2	Operating Asset Management	Facility management, security services, food services, or the more complex ERP, industrial, and cellular services	14.66%
3	Global Technology Solutions*	CLM and BPO Services, After-Sales Services, HR Outsourcing & Consulting Services, and Digital Transformation Services to Business Consulting Services and IT Consulting Services	12.25%
4	Product Led Businesses	Digital platforms for workforce hiring, management, engagement, and non-compensation benefits.	2.71%

*Consolidated Basis.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Workforce Management	7830	70.38%
2	Operating Asset Management	74909	14.66%
3	Global Technology Solutions*	62099	12.25%
4	Product Led Businesses	62099	2.71%

*Consolidated Basis.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Nil	70	70
International	Nil	13	13

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24
International (No. of Countries)	8

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Less than 1% (Standalone)

c. A brief on types of customers

Quess is one of India's largest private sector companies and a diversified business services provider with a host of technology-enabled staffing and managed outsourcing services across processes such as staffing, facility management, customer care, after-sales service, telecom operations, manufacturing operations, HR & F&A operations, IT & mobility services, etc. We cater to a wide range of B2B segments, delivering comprehensive solutions across multiple industries.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	%(C/A)
	EMPLOYEES					
1	Permanent (D)	8,734	5,492	63%	3,242	37%
2	Other than Permanent (E)	461	198	43%	263	57%
3	**Total employees (D + E)**	**9,195**	**5,690**	**62%**	**3,505**	**38%**
	WORKERS :					
4	Permanent (F)	5,13,700	4,21,217	82%	92,483	18%
5	Other than Permanent (G)	51,850	43,292	83%	8,558	17%
6	**Total employees (F+ G)**	**5,65,550**	**4,64,509**	**82%**	**1,01,041**	**18%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES*						
1	Permanent (D)	8	7	88%	1	13%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**8**	**7**	**88%**	1	**13%**
DIFFERENTLY ABLED WORKERS:						
4	Permanent (F)	504	444	88%	60	12%
5	Other than Permanent (G)	-	-	-	-	-
6	**Total employees (F+ G)**	**504**	**444**	**88%**	**60**	**12%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	8	1	12.5
Key Management Personnel	3	0	0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY- 2024 (Turnover rate in current FY)			FY- 2023 (Turnover rate in previous FY)			FY- 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	48.6%	38.5%	41.4%	47.0%	61.5%	50.8%	47.3%	56.0%	49.5%
Permanent Workers	72%	17%	89%	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Agency Pekerjaan Quess Recruit Sdn. Bhd.	Associate	49%	No
2	Agensi Pekerjaan Monster Malaysia Sdn Bhd	Subsidiary	49%	No
3	Allsec Technologies Limited	Subsidiary	73.39%	Yes
4	Allsectech Inc., USA	Subsidiary	100%	No
5	Allsectech Manila Inc., Philippines	Subsidiary	100%	No
6	Bluspring Enterprises Limited	Subsidiary	100%	No
7	Billion Careers Private Limited	Subsidiary	100%	Yes
8	Brainhunter Systems Limited	Subsidiary	100%	No
9	Comtelink SDN. BHD	Subsidiary	100%	No
10	Digitide Solutions Limited	Subsidiary	100%	No
11	Excelus Learning Solutions Private Limited	Subsidiary	100%	Yes

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
12	Heptagon Technologies Private Limited	Subsidiary	100%	Yes
13	MFXchange (USA), Inc.	Subsidiary	100%	No
14	MFXchange Holdings, Inc.	Subsidiary	100%	No
15	Mindwire Systems Limited	Subsidiary	100%	No
16	Monster.com (India) Private Limited	Subsidiary	83.12%	Yes
17	Monster.com HK Limited	Subsidiary	100%	No
18	Monster.com.SG Pte Limited	Subsidiary	100%	No
19	Quess (Philippines) Corp	Subsidiary	100%	No
20	Quess Corp (USA) Inc.	Subsidiary	100%	No
21	Quess Corp Lanka (Private) Limited	Subsidiary	100%	No
22	Quess Corp NA LLC	Subsidiary	100%	No
23	Quess Corp Vietnam Limited Liability Company	Subsidiary	100%	No
24	Quess East Bengal FC Private Limited	Subsidiary	100%	No
25	Quess International Services Private Limited	Subsidiary	100%	Yes
26	Quess Recruit Inc.	Associate	25%	No
27	Quess Selection & Services Pte Ltd	Subsidiary	100%	No
28	Quesscorp Holdings Pte. Limited	Subsidiary	100%	No
29	Quesscorp Singapore Pte Ltd	Subsidiary	100%	No
30	Quessglobal (Malaysia) Sdn. Bhd	Subsidiary	100%	No
31	Stellarslog Technovation Private Limited	Subsidiary	100%	Yes
32	Terrier Security Services (India) Private Limited	Associate	48.05%	Yes
33	Trimax Smart Infraprojects Private Limited	Subsidiary	100%	Yes
34	Vedang Cellular Services Private Limited	Subsidiary	96.97%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in Million)

₹ 1,55,711.84 (Standalone)

(iii) Net worth (in Million.)

₹ 26,889.69(Standalone)

Note: We have provided the turnover and net worth on a standalone as CSR is applicable based on the eligibility criteria for the respective entity.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY- 2024 Current Financial Year			FY- 2023 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Shareholders	Yes, https://www.quesscorp.com/corporate-governance/	14	0	All 14 disposed off	7	0	All 7 disposed off
Employees and workers	Yes, https://www.quesscorp.com/corporate-governance/	33	0	All 33 disposed off	0	0	NIL
Customers	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Value Chain Partners	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Other (please specify)	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	6	0	All 6 disposed off (Clarifications were sought by SEBI and Stock Exchange which were satisfactorily replied/resolved)

Note: Does not include Posh Complaint

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Transformation & Automation	R	Constant changes in technologies and automation.	In the era of digital transformation, we give much importance to digital needs by constantly improving and updating our digital platforms. We are constantly moving our business to digital and well-organised data management systems thereby improving and providing better customer services and satisfaction to our clients and stakeholders. This helps us to upscale our business and better customer service. Leveraging our industry domain knowledge with technology, helps us provide unique business solutions and value propositions to our customers with our tech-applications such as Qjobs, WorQ, Dash, HR modules, etc.	Positive Implications
2	Cyber Security & Data Protection	R	Data is of paramount importance, and ensuring its safeguarding is crucial	Our Cyber Security Council, chaired by the Chief Technology Officer and business IT Heads, meets periodically, with a specific focus on cyber security and data protection risks. Furthermore, the Committee monitors emerging practices and technologies to improve IT systems and infrastructure. Firewall and real-time security monitoring systems to secure our IT environment. Initiatives like VAPT, SIEM, DLP, MDM, etc., have significantly strengthened our security posture	Positive Implications
3	Safety at Work	R	Ensuring employee safety and security in a challenging environment to prevent injuries and casualties.	Our comprehensive Health, Safety and Environment Conservation Policy and the Emergency Procedure Policy govern procedures for our employee safety and incident management. The employee appbased HRMS tool includes an upgraded workflow dedicated to safety incident reporting. The Unified Help Desk (UHD) is responsible for actively monitoring and responding to incidents reported through the app. Mandatory safety training during induction and yearly refreshers, along with job-specific training, boost awareness and adherence to safety protocols	Positive Implications

4	Diversity & Inclusion	R	Low productivity of the workforce due to the lack of diversity, inequality, talent, etc.	Quess is dedicated to sourcing talent from diverse backgrounds worldwide, fostering a distinctive work culture that optimizes our potential and enhances our customers' productivity. Our Company's commitment to Equal Employment Opportunity Policy reiterates the organisation's commitment towards non-discrimination of candidates based on age, colour, sex, disability, marital status, race, religion and sexual orientation. Through our partnerships with various NGOs, we successfully induced PWD associates into the workforce. In alignment with the Prime Minister's initiative for NARI SHAKTI, our immediate objective is to enhance gender diversity among core employees to 50% (currently at 36%) through strategic talent acquisitions by next year. Numerous workshops are conducted to attract talent in line with this goal.	Positive Implications
5	Climate Changes & reduction of Carbon Footprint	R	Global warming and Company's operations might negatively impact the natural environment	We continue to drive key sustainability initiatives across our businesses, even though we are a low-carbon emitting company. For the year, we could recycle 5.3K+ kgs of paper waste and 20.2K+ Kgs of E-waste. Our central Kitchen waste is sent to state-approved biogas vendors as a part of the waste disposable management policy. Although our electricity consumption has been a key focus area, to further reduce our Scope 2 emissions, we have taken measures such as usage of LED lights across our multiple office locations as a part of green energy initiatives.	Positive Implications
6	Employee Training	R	Lack of proper training and skills in the workforce will lead to poor productivity & employee satisfaction	Our company is committed to providing utmost importance to proper skill development and upskilling of employees. Our HRMS tool provides mandatory learning for all employees and ensures every employee completes 40 hrs of learning in a year. HRMS tool constantly gets updated with new courses and modules to provide a wide range of knowledge to develop both technical and soft skills required for the growth and development of the employee, which boosts their productivity. In addition to the skill enhancement modules, compliance based modules such as CoC, POSH, Insider Trading, ESG, ERM, etc. are completed by all employees annually. In FY24, employees underwent an avg. of ~ 43 hrs of training.	Positive Implications
7	Compliance with labour laws	R	Lack of tracking and adherence to labour laws and regulations might seriously disrupt business operations, loss of reputation including fines and penalties	Given our diversified staffing business across multiple industries and sectors, there is an increased risk of non-compliance with regulatory labour requirements. Our central compliance team, along with the business compliance team, consistently monitor adherence to labour laws at central, state, and local levels. Important compliances like minimum wages, PF, ESI, PT, LWF, Gratuity, etc., are regularly tracked and reported periodically across the businesses	Negative Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy And Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	https://www.quesscorp.com/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Companies Act 2013, ISO standards, GPTW, UNSDG, FSSAI, and BIS								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We have specific commitments and targets for FY25 1. 5 million digital job opportunities 2. 50% women core workforce 3. 20% emission intensity reduction 4. 100% ESG compliance new vendors								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1. We have over 7.7 million job opportunities on Qjobs, out of which 2 million jobs were created in FY24. 2. 38% Core women employees and 18% associate women employees 3. 19% reduction in emissions intensity from baseline year of FY22 4. 93% ESG compliance new vendor.								

Governance, leadership and oversight

7: Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer CEO Speech section of the Annual Report 2024 on page no. 19
8: Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Guruprasad Srinivasan, Executive Director and Group CEO.
9: Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, refer Board Committee section of the Annual Report 2024 on page no. 110.

10: Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Board of Directors meets periodically to evaluate operational performance across various aspects, including adherence to NGRBC principles. This evaluation involves board-level committees and the leadership team.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								

12: If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	No								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No								
It is planned to be done in the next financial year (Yes/No)	No								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	20	All principles covered	100%
Key Managerial Personnel	23	All Principles Covered	100%
Employees other than BoD and KMPs	2379	All Principles Covered	100%
Workers*	0	Not Applicable	0%

*Training to the workers is provided by the clients at their site.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year

Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Quess Corp's Anti-Bribery and Anti-Corruption Policy unequivocally prohibits the offering, giving, receiving, or soliciting of any form of bribe or corrupt payment, whether directly or indirectly. This encompasses all interactions, including those involving government officials, third-party agents, and suppliers. The policy not only outlines clear guidelines for recognizing and mitigating potential risks of bribery and corruption but also underscores the critical importance of maintaining precise books and records. Furthermore, it mandates employees to promptly report any suspicious activity they encounter. In the event of a policy breach, the company imposes disciplinary measures, which may include termination of employment or contracts. Additionally, Quess Corp reserves the right to report suspected violations to the relevant authorities.

https://quesscorp.com//investor/dist/images/pdf/Policies/Anti-Bribery-Anti-Corruption-Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Nil

6. Details of complaints with regard to conflict of interest:

Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Nil

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
Number of days of account payables*	27	19

*On a Standalone basis.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Sr. no	Parameter	Metrics	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
a	Concentration of Purchases	Purchases from trading houses as % of total purchases	Nil	Nil
b	Concentration of Purchases	Number of trading houses where purchases are made from	Nil	Nil
c	Concentration of Purchases	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
a	Concentration of Sales	Sales to dealers / distributors as % of total sales	Nil	Nil
b	Concentration of Sales	Number of dealers / distributors to whom sales are made	Nil	Nil
c	Concentration of Sales	Sales to top 10 dealers / distributors as % of total sales to dealers/ distributors	Nil	Nil
a	Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	5.85%	6.24%
b	Share of RPTs in	Sales (Sales to related parties / Total Sales)	0.59%	0.59%
c	Share of RPTs in	Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.41%	98.22%
d	Share of RPTs in	Investments (Investments in related parties / Total Investments made)	96.58%	100%

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

   Nil

2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes

  b. If yes, what percentage of inputs were sourced sustainably?

   93%, During the vendor onboarding process, we mandate adherence to our ESG (Environmental, Social, and Governance) framework and require acceptance of our Vendor Code of Conduct Policy.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Not Applicable, we do not manufacture any products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

   Not Applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. and b. Details of measures for the well-being of employees and workers:

Category	% of employees covered by										
	Total (A)	Health insurance*		Accident insurance*		Maternity benefits*		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	5,690	5,690	100%	5,690	100%	-	-	5,690	100%	-	-
Female	3,505	3,505	100%	3,505	100%	3,505	100%	-	-	-	-
Total	**9,195**	**9,195**	**100%**	**9,195**	**100%**	**3505**	38%	**5690**	**62%**	-	-
Permanent workers											
Male	4,64,509	3,05,965	66%	3,47,696	75%	-	-	-	-	-	-
Female	1,01,041	61,422	61%	65,772	65%	1,01,041	100%	-	-	-	-
Total	**5,65,550**	**3,67,387**	**65%**	**4,13,468**	**73%**	1,01,041	**18%**	-	-	-	-

*All employees are covered based on statutory requirements, as applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.25%	0.20%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY-2024 Current Financial Year			FY-2023 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	88%	Yes	100%	100%	Yes
Gratuity	100%	90%	Yes	100%	100%	Yes
ESI	10%	67%	Yes	100%	100%	Yes

Note: We have considered only permanent employees.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our offices prioritize accessibility for persons with disabilities (PWD) by implementing various infrastructure measures such as railings, ramps, lifts, and clear signage throughout the premises.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, https://www.quesscorp.com/investor/dist/images/pdf/Policies/Equal-Employment-Opportunity-Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	67%	48%	100%	57%
Total	71%	54%	100%	57%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees and Other than Permanent Employees	Yes, Quess has a strong commitment to complying with the law and upholding high standards of corporate governance, conduct, and business ethics. Employees, customers, and third-party intermediaries can use the procedures set out in Whistleblower Policy to submit confidential and/or anonymous complaints. The policy provides a framework for promoting responsible and secure whistleblowing, protecting those wishing to raise concerns about serious irregularities within the company. The policy also aims to ensure that all concerns or complaints are received, investigated, and addressed in a fair, confidential, and timely manner. Further, we have Unified Help Desk (UHD) to address employee grievances. UHD is automated with features such as a ticketing system, smart escalations, vernacular language support as well as call-back mechanisms to enhance transparency and responsiveness. The company's UHD is an automated system that supports non-permanent employees with their grievances. It offers multiple response mechanisms such as calls and chatbots. UHD is integrated with the online workforce management platform, WorQ for our non-permanent employees.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Nil

8. Details of training given to employees and workers:

Category	FY-2024 Current Financial Year					FY-2023 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
					Employees					
Male	5,690	5,690	100%	5,263	92%	4,020	4,020	100%	4,020	100%
Female	3,505	3,505	100%	3,221	92%	1,567	1,567	100%	1,567	100%
Total	**9,195**	**9,195**	100%	**8,484**	92%	**5,587**	**5,587**	**100%**	**5,587**	**100%**
Workers: Training to the workers are provided by the customers.										

Note: We have considered only permanent employees.

9. Details of performance and career development reviews of employees and worker:

Category	FY-2024 Current Financial Year			FY-2023 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
			Employees			
Male	5,690	5,492	97%	4,020	4,020	100%
Female	3,505	3,128	89%	1,567	1,567	100%
Total	**9,195**	**8,620**	94%	**5,587**	**5,587**	**100%**
Workers: Performance rating are provided by the customers.						

Note: We have considered only permanent employees.

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Quess Corp Limited is dedicated to preserving the environment and ensuring safe, healthy working conditions for our employees, visitors, and customers. To facilitate this commitment, we've introduced an Incident Management Tool within the WorQ App. This tool empowers employees to report incidents, safety concerns, health hazards, or grievances promptly. The Unified Help Desk (UHD) and respective business representatives promptly address these reports, ensuring resolution within the company's specified turnaround time (TAT).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular workplace inspections are conducted to detect potential hazards and evaluate their risk levels. Job hazard analyses are performed to identify specific risks related to tasks or roles. Safety inspections assess the overall effectiveness of the safety program and highlight areas for enhancement. In the event of an incident, thorough investigations are conducted to ascertain the root cause and prevent recurrence. Additionally, employees undergo safety training to bolster their awareness of workplace hazards and acquaint them with the requisite safety protocols. These measures collectively foster a safe and secure work environment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable

Note: We have considered only permanent employees.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

1) **Safety Policies and Procedures Implementation**: The entity has instituted comprehensive safety policies and procedures, ensuring all employees understand their roles and obligations in maintaining a safe workplace.
2) **Safety Training**: The entity conducts regular safety training sessions for employees, ensuring awareness of job-related risks and effective mitigation strategies.
3) **Hazard Identification and Risk Assessment:** Routine assessments are conducted to identify potential hazards and evaluate associated risks, fostering proactive safety measures.
4) **Provision of Personal Protective Equipment (PPE):** Employees are provided with appropriate PPE to mitigate injury or illness risks, promoting a safer work environment.
5) **Equipment and Machinery Maintenance:** The entity ensures regular maintenance and servicing of all equipment and machinery, minimizing breakdowns and associated safety hazards.
6) **Encouraging Incident Reporting:** Employees are encouraged to report safety incidents and near-misses, facilitating prompt corrective action to prevent recurrence.
7) **Safety Audits:** Regular safety audits are conducted to verify compliance with safety protocols and identify areas for enhancement, ensuring ongoing safety improvements.
8) **Emergency Preparedness Mock Drills**: The entity conducts fire and earthquake mock drills to prepare employees for emergency response scenarios, enhancing overall safety preparedness.

13. Number of Complaints on the following made by employees and workers:

Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & safety practices	5%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have integrated an Incident Management Tool into the Worq application specifically for our non-permanent employees. Through this tool, employees can promptly report incidents, safety concerns, health hazards, or grievances. These reports are then addressed by the Unified Help Desk (UHD) along with the respective business representatives. Our commitment to resolving these issues within the company's specified turnaround time (TAT) ensures efficient handling and resolution of all reported matters, fostering a safer work environment for everyone.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the entity

The Company has identified key stakeholders as part of its ESG framework and intends to work with them to improve their well-being and add value to the Company's business chain. The stakeholders who are impacted economically and socially are the most interacted with, and whom the Company can support. The key stakeholders include customers, suppliers, government and regulatory authorities, investors/shareholders, employees, business partners, and the wider communities that we serve. As India's leading business services provider, the Company believes that its human capital is its greatest strength. Based on the above, the Company has mapped and identified internal and external stakeholders, including disadvantaged, vulnerable, and marginalized stakeholders. Internal stakeholders have a direct relationship with the company, while external key stakeholders are affected by the business but do not directly work with the company. Investors are significant stakeholders with whom the Company shares a strong relationship and a deep understanding of their expectations. Customers reflect the Company's commitment, while employees enable the creation of value for customers and the organization and enjoy fulfilling careers. Lastly, suppliers help deliver business value.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Websites, E-mails, social media, Virtual Meetings	Annually	To ensure customer stewardship in terms of transparency and informed choices, for stronger customer relationships and to enhance the business while addressing any issues that customers may have.
Investors/ Shareholders	No	Regulatory audits and inspections, environmental compliance, policies, good governance, statutory corporate filings, and direct interactions on a caseby- case basis.	Quarterly, Annually	Discuss the company's financial performance and strategic priorities. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company's website has a dedicated functional segment called 'Investor Relations' which contains all the information intended for shareholders, including details about directors, financial statements, annual reports, codes, and policies.
Business Partners	No	Mailers, News Bulletins, Brochures, Social Media, Website	Weekly, Monthly, Annually	Stroger partnerships to increase reach and enhance ethical business practices, fair business practices, and governance.
Suppliers	No	Supplier and vendor meetings, binding agreement policies, IT-enabled information sharing tools and recognition platforms, dialogue on industry initiatives, calls, and training and workshops.	Annually	Quality improvement and capacity-building measures and to discuss their vision and mission, business plans, and supplier awards.
Employees	No	Trainings, Conferences, Website, E-mails, Meetings and Internal management development programmes	Weekly, Monthly, Annually	• Proposing measures to increase employee competency at work as well as promote work-life balance. • Learning opportunities, • Building a safety culture and inculcating safe work practices among employees • Improving diversity and inclusion. • Effective grievance mechanisms
Government and Regulatory Authorities	No	Regulatory audits and inspections, environmental compliance, policies, good governance, statutory corporate filings, and direct interactions on a caseby- case basis.	Annually and as per requirements	• Report and compliances on Legal and Regulatory Requirements. • Discussions with regards to various regulations and amendments, inspections, and approvals
Communities	Yes	CSR activities, site visits, participation in events, meetings and briefings, official communication channels (including emails, advertisements, publications, websites, and social media).	Frequent and need based	Implementing community initiatives and helping them to attain a better standard of living. For making a difference in society and creation an impact through our CSR initiatives and understand areas of sustainable development

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY-2024 Current Financial Year			FY-2023 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B /A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees*						
Permanent	8,734	8,304	95%	5,174	5,174	100%
Other than Permanent	461	461	100%	413	413	100%
Total Employees	**9,195**	**8,765**	**95%**	**5,587**	**5,587**	**100%**
Workers: Training to the workers are provided by the customers wherever applicable.						

Note: We have considered only permanent employees.

2. Details of minimum wages paid to employees and workers:

Minimum wage rates in scheduled employments vary due to several factors including the state, sector, skill level, region, and occupation. Consequently, there isn't a uniform minimum wage rate applicable nationwide. However, companies are obligated to adhere to minimum wage notifications issued by central and state bodies for various establishments under minimum wage Acts and Rules, ensuring that minimum wages are met. The revision cycle for minimum wages may differ for each state, necessitating ongoing compliance monitoring and adjustments by employers to uphold labour standards.

3. a. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	₹ 0.7375 million	1	₹ 1.525million
Key Managerial Personnel	3	₹ 21.867million	0	0
Employees other than BoD and KMP	5,685	₹ 0.864 million	3,505	₹ 0.628 million
Workers: **Not Applicable**				

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY - 2024 Current Financial Year	FY - 2023 Previous Financial Year
Gross wages paid to females as % of total wages	38%	24%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Quess Corp maintains a comprehensive Human Rights Policy that extends to all employees, vendors, and suppliers within its purview. The policy outlines clear procedures for raising grievances and reporting any breaches of policies or procedures confidentially and anonymously. Importantly, it guarantees protection from retaliation for individuals reporting such breaches. This commitment underscores Quess Corp's dedication to upholding human rights principles across its operations and ensuring a safe and respectful work environment for all stakeholders.

6. Number of Complaints on the following made by employees and workers:

	FY-2024 Current Financial Year			FY-2023 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	48	3	Under Process	-	-	Nil
Discrimination at workplace	-	-	Nil	-	-	Nil
Child Labour	-	-	Nil	-	-	Nil
Forced Labour/Involuntary Labour	-	-	Nil	-	-	Nil
Wages	-	-	Nil	-	-	Nil
Other human rights related issues	-	-	Nil	-	-	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	48	-
Complaints on POSH as a % of female employees / workers	0.046%	-
Complaints on POSH upheld	37	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

All employees undergo mandatory training on human rights, with annual sign-offs required to ensure understanding and compliance. The Unified Help Desk (UHD) stands ready to receive and address grievances promptly and effectively. Moreover, key policies including the Human Rights Policy, Equal Employment Policy, Health Safety, and Environmental Conservation Policy are accessible via the HRMS tool and the company website, ensuring transparency and easy reference for all stakeholders. These measures underscore our commitment to upholding human rights, fostering equality, and promoting a safe and sustainable work environment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Quess policies, including the Whistleblower's Policy, Vendor Code of Conduct Policy, Health Safety and Environmental Conservation Policy, and Human Rights Policy, are not only applicable to employees but also extend to customers, vendors, and third-party intermediaries. This broad scope ensures consistent adherence to ethical standards and responsible practices across all interactions and engagements involving Quess Corp. By applying these policies universally, we uphold our commitment to integrity, sustainability, and respect for human rights throughout our operations and interactions with all stakeholders.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Quess internally monitors compliance with all relevant laws and policies pertaining to these issues at 100% of its offices. There has been no observation by local authority for entity's premises and offices.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Energy Consumption Sources (in Giga Joules)		
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	76,696.45 GJ	52787.90GJ
Total fuel consumption (E)	3,290.68 GJ	2257.32 GJ
Energy consumption through other sources (F)	-	-
Total energy consumption (D+E+F)	79,987.13 GJ	55,045.22 GJ
Total energy consumption (A+B+C+D+E+F)	**79,987.13 GJ**	**55,045.22 GJ**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) *	**0.46 GJ/₹million**	**0.33 GJ/₹million**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)*	10.43 GJ/PPP	7.51 GJ/PPP
Energy intensity in terms of physical output	**-**	**-**
Energy intensity (optional) – the relevant metric may be selected by the entity	**-**	**-**

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by the World Bank for India, which is 22.88.

* For the calculation of energy intensity, we have excluded the turnover of our Foreign Entities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	76,146 KL
(iii) Third party water	218280.51 KL	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal(in kilolitres) (i + ii + iii + iv + v)	**2,18,280.51KL**	**76,146 KL**
Total volume of water consumption (in kilolitres)	**2,18,280.51 KL**	**76,146 KL**
Water intensity per rupee of turnover (Water consumed / turnover)*	**1.24 KL/ ₹million**	**0.45 KL /₹million**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	**28.47 KL/PPP**	**10.38 KL/PPP**
Water intensity in terms of physical output	**-**	**-**
Water intensity (optional) – the relevant metric may be selected by the entity	**-**	**-**

* For the calculation of water intensity, we have excluded the turnover of our Foreign Entities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

4. Provide the following details related to water discharged:

Sr. no	Parameter	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
Water discharge by destinations and level of treatment (In Kilolitres)			
1	To Surface water	-	-
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
2	To Groundwater	-	-
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
3	To Seawater	-	-
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
4	Sent to third-parties	-	-
	No treatment	-	-
	With treatment – please specify level of treatment	-	-
5	Others	-	-
	No treatment (Municipal Sewage Line)	**65484.15 KL**	-
	With treatment – please specify level of treatment	-	-
	Total water discharged (in kilolitres)	**65484.15 KL**	-

* The Company's water usage is designated solely for human consumption. With our 70 offices located in rental properties, we currently lack the means to monitor water discharged directly. Nonetheless, we have taken steps to promote responsible

water use. Selected branches have been equipped with sensor-based taps, aerator taps, and dual flush mechanisms to ensure judicious water consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

As a business service provider, Quess primarily operates with minimal air emissions, mainly arising from the use of diesel generator sets during power outages. Quess ensures compliance with the Air (Prevention & Control of Pollution) Act (1981) by obtaining necessary consent for operating diesel generator sets. Compliance includes adhering to specified stack emission parameters such as nitrous oxide, non-methane hydrocarbons, carbon monoxide, particulate matter, etc. Stack emission monitoring is conducted at the required frequency outlined in the Consent To Operate (CTO) for generator sets, ensuring that emissions remain within permissible limits and environmental standards are upheld.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Total Scope 1 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	1,647.31	2260.02
Total Scope 2 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	12946.79	11,584.01
Total Scope 1 and Scope 2 emissions per rupee of turnover	**tCO2e/₹million**	**0.08**	**0.08**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) **(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)***	**tCO2/PPP**	**1.904**	**1.889**
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*For the calculation of emission intensity, we have excluded the turnover of our Foreign Entities

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the company has set targets to reduce greenhouse gas emissions, which include a goal of reducing emission intensity of 20% by FY2025. We are proud to report that we have already achieved a 19% reduction in emission intensity from our base year of FY2022.

9. Provide details related to waste management by the entity, in the following format:

(a) Total Waste generated (in metric tonnes)

Parameter	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	20.23	7.34
Bio-medical waste (C)	0.0043	-
Construction and demolition waste (D)	-	-
Battery waste (E)	6.12	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any (G)	-	-
Other Non-hazardous waste generated (H) – Paper waste, Dry waste, Wet waste	10.73	7.52
Total (A+B + C + D + E + F + G + H)	**37.09**	**14.86**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)*	**0.000217 Mt /₹million**	**0.000089 Mt/₹million**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	**0.00497 MT/PPP**	**0.00203 MT/PPP**
Waste intensity in terms of physical output	**-**	**-**
Waste intensity (optional) – the relevant metric may be selected by the entity	**-**	**-**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	37.09	7.52
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**37.09**	**7.52**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.0043	7.34
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**0.0043**	**7.34**

*For the calculation of waste intensity, we have excluded the turnover of our Foreign Entities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We are committed to minimizing waste generation and fostering a circular economy. Our efforts include implementing initiatives aimed at reducing waste at its source. We meticulously track hazardous waste and ensure its segregation, storage, and disposal in accordance with local regulations, utilizing authorized recyclers to maintain compliance.

Moreover, our approach extends to kitchen waste management, where we segregate between dry and wet waste. This segregated waste is then repurposed, with wet waste being utilized in compost manufacturing processes. By adopting these practices, we not only minimize waste sent to landfills but also contribute to sustainable resource management and environmental preservation .

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Not Applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances

Yes, Quess has diligently adhered to all relevant environmental laws, regulations, and guidelines applicable in India. Notably, the company has maintained full compliance without incurring any fines, penalties, or regulatory actions under these environmental frameworks. This commitment underscores Quess's dedication to environmental responsibility and sustainable business practices

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations.

12

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industries (CII)	National
2	India Staffing Federation	National
3	The federation of Indian Chambers of Commerce and Industry	National
4	All India Organisation of Employers	National
5	Employee Federation of India	National
6	Central Association of Private Security Industry	National
7	Karnataka Employees Association	State
8	The Employers Association, Delhi	State
9	Apex Chamber of Commerce, Delhi	State
10	Madras Chamber of Commerce and Industry	State
11	NASSCOM	National
12	Indo American Chamber of Commerce	International

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Nil

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Website correspondence - Individuals can report problems by visiting our Contact Us page and filling out a form or sending an email. We then create a ticket and assign a dedicated executive to assist them. After resolving the issue, we send a status update and feedback form.

Toll-free grievance redressal - Quess Corp offers assistance through a toll-free number 1800 572 3333 available on our website. Our in-house contact centre tracks grievances and feedback through a ticket system and assigns them to the respective executive for closure.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY-2024 Current Financial Year	FY-2023 Previous Financial Year
Directly sourced from MSMEs/ small producers	14.78%	23%
Sourced directly from within the district and neighbouring districts(Karnataka Region)	9%	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Rural	-	-
Semi-urban	38%	37%
Urban	29%	29%
Metropolitan	33%	35%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Quess Corp is very serious about grievances and feedback. To resolve each concern and query, we have the following mechanisms in place. Here is how the process functions:

   Website correspondence – When a client or individual faces problems with our services or platforms, they have an option to visit the Contact Us page and fill out a form or write to us an email. This form is intuitive in nature, and helps one reach the right person. Once it reaches respective teams, a ticket is raised and passed onto a dedicated executive to understand their issue/ query, guides them to a suitable solution, and closes the ticket.

   Toll-free grievance redressal – To provide round-the-clock assistance, Quess Corp enables clients with grievance and feedback redressal through toll-free numbers available on our website. This mechanism is supported by an in-house contact centre, which is tracked through a ticket is raised and assigned to the respective business executive for closure.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal

   Not Applicable

3. Number of consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices

   We do not have any consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices and unfair trade practices.

4. Details of instances of product recalls on account of safety issues:

   Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, https://www.quesscorp.com/privacy-statement/

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   None

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches

      Nil

   b. Percentage of data breaches involving personally identifiable information of customers

      Nil

   c. Impact, if any, of the data breaches

      None

ANNEXURE – B

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Quess Corp Limited
3/3/2, Bellandur Gate,
Sarjapur Main Road,
Bengaluru- 560103

I, S.N. Mishra proprietor of SNM & Associates, Bengaluru bearing Membership No. 6143 and C.P. No.4684, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Quess Corp Limited CIN: L74140KA2007PLC043909 listed at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (hereinafter called "the Company") for the financial year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, registers and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iii) The Depositories Act, 1996 and the regulations and the by-laws framed there under;

(iv) The SEBI Act 1992 and its applicable rules and regulations as under;

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)
- SEBI (Prohibitions of Insider Trading) Regulations, 2015
- Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
- SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- SEBI (Investor Protection and Education Fund) Regulations, 2009
- SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- SEBI (Regulatory Fee on Stock Exchanges) Regulations, 2006
- SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
- SEBI (Depositories and Participants) Regulations, 2018
- SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

(v) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

(vi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(vii) Labour Laws as applicable and the rules and regulations made thereunder:

(viii) Tax Laws as applicable and the rules and regulations made thereunder;

During the period under review, based on verification of the records maintained by the Company and also on the review of compliance reports / statements by respective department heads / Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exists in the Company to monitor and ensure compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I have conducted physical verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report. I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors which is in compliance with Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   The Board met 6 (Six) times during the year on 17.05.2023, 02.08.2023, 06.11.2023, 22.12.2023, 02.02.2024 and 16.02.2024. The intervening gap between the Meetings was within the period prescribed under Section 174 of the Companies Act, 2013 and Regulation 17(2) of SEBI LODR.

   The participation of Directors in the meetings is duly recorded. During the period under review the requisite quorum was present in all the Board and Committee(s)

Meetings by participation of Directors in the meetings in person/through video conferencing.

Notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent for all board meetings held during the year under consideration. The Company has a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Company is in compliance with Regulation 29 of SEBI LODR w.r.t. prior intimation of Board Meetings as applicable.

Circular resolutions passed during the period under review were duly recorded in the subsequent meetings.

Majority decision is carried through while the members' views are captured and recorded as part of the minutes.

2. The annual general meeting for the financial year ending on 31st March 2023 was held on September 26, 2023 through electronic mode [Video Conferencing/Other Audio-Visual Means] pursuant to the circulars issued by the Ministry of Corporate Affairs (MCA) and by Securities Exchange Board of India (SEBI) in that respect; after giving due notice to the members of the Company, with the requisite quorum and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

   No resolutions were passed by postal ballot during the year under review.

   No extraordinary general meeting was conducted by the Company during the period under review.

3. The Company has the following committees in place and the members of the committees meet at regular intervals to discuss and execute the relevant functions/operations as per the terms of the policy framed for the purpose:

   - Audit Committee
   - Corporate Social Responsibility Committee
   - Nomination and Remuneration Committee
   - Stakeholders Relationship Committee
   - Risk Management Committee
   - Administration and Investment Committee
   - Share Transfer Committee

4. In accordance with Schedule IV of the Act and Regulation 25(3) of SEBI (LODR), 2015, an exclusive meeting of Independent Directors was held without the presence of Non-independent Directors & members of management, on March 27, 2024 at which all Independent Directors were present.

5. The Company is generally regular in filing forms and returns with the Registrar of Companies, and other statutory bodies as applicable from time to time within the time prescribed under the Act and the rules made there under and with additional fees wherever there is a delay.

6. The Company is in regular compliance with Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018.

7. The Company has appointed a Registrar and Transfer Agent as provided hereunder, who are duly registered as per The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 who on behalf of the Company, maintains the records of holders of securities issued by the company and deals with all matters connected with the transfer and redemption of securities.

   Link Intime India Private Limited
   Add: 247 Park, C 101, 1st Floor, LBS Marg,
   Vikhroli (W), Mumbai – 400 083, Maharashtra, India
   Tel: +91 22 49186270
   Fax: +91 22 49186060
   www.linkintime.co.

8. The Company is listed with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and is in compliance with the requirements under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

9. The Company is in regular compliance with SEBI Act, 1992 and its applicable rules and regulations as detailed in Point (iv) of this report.

10. The Company is in compliance with the Foreign Exchange Management Act, 1999 and the rules and regulations thereunder to the following extent:

    - The Annual Return on Foreign Assets and Liabilities for the financial year 2022-23 to the Reserve Bank of India was filed within the stipulated time frame in compliance with RBI/ 2013-14/646 A.P. (DIR Series) Circular No. 145.
    - The Annual Performance Report for the wholly owned subsidiaries for the period ended March 31, 2023 were filed within the stipulated time frame in compliance with RBI//2015-16/374 A.P. (DIR Series) Circular No.62 except Quess (Philippines) Corp which are in process.
    - The Company did not make any financial commitment to Foreign Step-down Subsidiary during the year falling under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
    - The Company has reported Downstream investments made during the year in accordance with Foreign exchange management (Non Debt Instruments) Rules, 2019 read with the Foreign Exchange Management Act, 1999.
    - The Company is in compliance with Regulation 6 of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations 2004 with respect to direct investments made in MFXCHANGE HOLDINGS INC, Ontario – Foreign subsidiary during the reporting period.

11. The Company has framed a policy on Prevention and Prohibition of Sexual Harassment at Workplace and has constituted an Internal Committee to handle matters under the Sexual Harassment of Women at Workplace Act, 2013 and its corresponding rules and regulations. The Company is in compliance with the requirements under the Sexual Harassment of Women at Workplace Act, 2013.

12. The compliances under the following Labour Laws have been scrutinised by me:

    a. The Karnataka Shops and Establishments Act, 1961
    b. The Minimum Wages Act, 1948
    c. The Payment of Wages Act, 1936
    d. The Payment of Bonus Act, 1965
    e. Equal Remuneration Act, 1976
    f. The Payment of Gratuity Act, 1972
    g. The Employees' Compensation Act, 1923
    h. The Maternity Benefit Act, 1961
    i. The Child Labour (Prohibition and Regulation) Act, 1986
    j. The Contract Labour (Regulation and Abolition) Act, 1970
    k. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
    l. The Apprentices Act, 1961
    m. Industrial Employment (Standing Orders) Act, 1946 read with Industrial Employment (Standing Orders) (Karnataka) Rules, 1961
    n. Labour Welfare Fund Act
    o. The Rights of Persons with Disabilities Act, 2016

    The Company has complied with the applicable provisions, registrations, filing of returns, maintenance of records and display of abstracts as required under these various Labour laws and their corresponding rules, regulations and guidelines thereunder.

13. During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non-material findings as highlighted by me during audit have been addressed suitably by the management by initiating necessary steps.

14. For compliances under various tax laws, I have relied on the reports submitted by the Internal Auditors and the Statutory Auditors of the Company. As per the reports provided the Company is in compliance under the various tax laws and the corresponding rules, regulations and guidelines as applicable to the Company.

15. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

    This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Sd/-
Place: Bengaluru
Date : May 09, 2024

S.N.Mishra.
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No.: 1603/2021
UDIN : F006143F000338563

ANNEXURE 'A'

To,
The Members
Quess Corp Limited
3/3/2, Bellandur Gate,
Sarjapur Main Road,
Bangalore- 560103

My Secretarial Audit Report for the financial year ended March 31, 2024 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date : May 09, 2024

Sd/-
S.N.Mishra.
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No.: 1603/2021
UDIN : F006143F000338563

ANNEXURE – C

SECRETARIAL COMPLIANCE REPORT OF QUESS CORP LIMITED FOR THE YEAR ENDED 31.03.2024

I, S.N. Mishra, proprietor of SNM & Associates, Bengaluru bearing Membership No. 6143 and C.P. No. 4684 have examined:

A. All the documents and records made available to us and explanation provided by Quess Corp Limited, CIN: L74140KA2007PLC043909, listed at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) ("the listed entity"),

B. The filings/ submissions made by the listed entity to the stock exchanges,

C. Website of the listed entity,

D. any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended on March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

  a. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

  b. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

b) SEBI (Prohibitions of Insider Trading) Regulations, 2015

c) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012

d) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

e) SEBI (Investor Protection and Education Fund) Regulations, 2009

f) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

g) SEBI Issue and Listing of Non-Convertible Securities) Regulations, 2021

h) SEBI (Regulatory Fee on Stock Exchanges) Regulations, 2006

i) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

j) SEBI (Depositories and Participants) Regulations, 2018

k) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and circulars/ guidelines issued thereunder

I/We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS*
1	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI	Yes	
3	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website	Yes	

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS*
4	**Disqualification of Director:** None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	
6	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	
8	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	
9	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	Yes	
12	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS*
1.	**Compliances with the following conditions while appointing/re-appointing an auditor**		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	YES	The Statutory Auditor of the Company's material subsidiary- Conneqt Business Solutions Limited (Conneqt) resigned with effect from May 9, 2023. The auditors completed the statutory audit of Conneqt for the financial year 2022-23 and issued the Independent Auditor's Report dated May 09, 2023 in compliance with the circular. The statutory auditor's resignation was in pursuance to the proposed merger of Conneqt with the Company (holding Company) during the reporting period and intention of the holding company to align with its auditors.
2.	**Other conditions relating to resignation of statutory auditor**		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS*
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.		
3.	The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	

a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No. 1603/2021
UDIN : F006143F000338741

Place: Bengaluru
Date : May 09, 2024

ANNEXURE – D

FORM NO. AOC-2

Particulars of Contracts / Arrangements made with Related Parties
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

   There were no contracts or arrangements or transactions entered into during the year ended 31 March, 2024, which were not at arm's length basis. The Company has laid down policies and processes/ procedures to ensure compliance with the subject section in the Companies Act, 2013 and the corresponding Rules. Besides, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and the nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Not Applicable					

   There were no material contracts or arrangements or transactions entered into during the financial year ended 31 March, 2024 crossing the materiality threshold of 10% of the annual consolidated turnover as per the latest audited financial statements of the Company. The details of contracts or arrangements or transactions at arm's length basis for the year ended 31 March, 2024 are detailed in the Notes to Financial Statement annexed to the Annual Report for which appropriate approvals have been taken from the Audit Committee and Board of Directors of the Company from time to time.

For and on behalf of Board of Director of **Quess Corp Limited**

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Date: May 09, 2024
Place: Bengaluru

ANNEXURE - E

DETAILS OF RATIO OF REMUNERATION OF DIRECTOR

(Pursuant to section 197 (12) read Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014)

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1	The ratio of the remuneration of the Director to the median remuneration of the employees of the Company for the financial year;	Guruprasad Srinivasan - 44
		The Non-Executive Directors nominated by the promoter were not paid any remuneration. The Independent Directors were paid sitting fees and commission only. Details of the remuneration, sitting fees and commission paid to the Directors are provided under the Corporate Governance Report.
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Guruprasad Srinivasan (Executive Director & Group CEO) – 28%
		Kamal Pal Hoda (Group Chief Financial Officer) – 12%
		Kundan K Lal (Vice President and Company Secretary) – 9.5%
3	The percentage increase in the median remuneration of employees in the financial year;	0.65%
4	The number of permanent employees on the rolls of the Company;	2,952 (core permanent employees*) as on March 31, 2024
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in remuneration of employees excluding KMPs: 9.16%. Average increase in remuneration of KMPs: 16.50% The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects the Company's performance, the performance pay is also linked to organization performance and individual utilization in addition to individual performance.
6	The key parameters for any variable component of remuneration availed by the directors	The key parameters for the variable component of remuneration availed by the directors and Key managerial Personnel are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. It is based on entity's performance as well as individual performance.
7	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

*Calculation has been done on the basis of Core Employees.

For and on behalf of Board of Director of **Quess Corp Limited**
Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Date: May 09, 2024
Place: Bengaluru

ANNEXURE – F

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2024

1. **Brief outline on CSR Policy of the Company:**

   CSR is an integral part of the Quess Group's business strategy, its values and everyday actions. Our vision clearly states – "Actively contribute to the community by positively impacting people's lives, particularly in health and education. Our goal is to build a healthy and educated workforce while providing sustainable livelihoods for marginalized sections of society."

   The Board adopted the CSR Policy, formulated and recommended by the CSR Committee, indicating the activities to be undertaken by the Company and the Company's philosophy for representing its responsibility as a corporate citizen and formulates the guidelines and mechanisms for undertaking development programs for sustainable development of the community at large and is titled as the 'Quess CSR Policy'.

   Our initiatives are aligned to Quess Foundation, the CSR arm of Quess Corp Limited, acts as a catalyst for deep societal impact in India, focusing on education and healthcare.

   Key Focus areas include Health and Education targeting children through various approaches which is mapped with the activities as prescribed in Schedule VII to the Companies Act, 2013. Currently, we collaborate with state governments to support 75 schools and 16,638 children across Karnataka and Tamil Nadu, benefiting over 85,000+ students.

2. **Composition of CSR Committee:**

S. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Ms. Revathy Ashok	Chairman, Non-Executive Independent Director	2	2
2.	Mr. Ajit Isaac	Member, Non-Executive Director		2
3.	Mr. Gaurav Mathur	Member, Non-Executive Independent Director		2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

S No.	Particulars	Web-link
1.	Composition of CSR committee	https://www.quesscorp.com/corporate-governance/
2.	CSR Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf
3.	CSR projects	https://www.quesscorp.com/csr/

4. **Provide the executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Quess has been voluntarily conducting internal impact assessments to monitor and evaluate its strategic CSR programs. The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014. There are no projects undertaken or completed after January 22, 2021, for which the impact assessment report is applicable in FY 24, therefore, web link is not provided.

5. a) Average net profit of the Company as per section 135(5): ₹ 2,241.98 million

   b) Two percent of average net profit of the company as per section 135(5): ₹ 44.84 million

   c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   d) Amount required to be set off for the financial year, if any: Nil

   e) Total CSR obligation for the financial year [(5b)+(5c)-(5d)]: ₹ 44.84 million

6. a) i) Details of CSR amount spent against ongoing projects for the financial year: (₹ in million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current FY (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Reg. No.
1.	School Enhancement Program	(ii)	Yes	Karnataka	Bangalore Urban & Shimoga	3 years	17.82	12.92	4.90	No	Quess Foundation	CSR00048719
2.	Health & Wellbeing	(i)					2.68	2.68	-	No		
3.	Health & Wellbeing	(i)	Yes	Tamil Nadu	Vellore	3 years	24.22	Nil	24.22	No	Care Works Foundation	CSR00001744
Total							**44.73**	**15.60**	**29.12**			

ii) Details of CSR amount spent against other than ongoing projects for the financial year: (₹ in million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Direct (Yes/No)	
				State	District			Name	CSR Reg. No.
NIL									

b) Amount spent in Administrative Overheads: ₹ 0.11 million

c) Amount spent on Impact Assessment, if applicable: NIL

d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 15.71 million

e) CSR amount spent or unspent for the FY 2023-24: ₹ 29.12 million

Total Amount Spent for the FY (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in ₹)	Date of Transfer	Name of the Fund	Amount (in ₹)	Date of Transfer
15.71 million	29.12 million	24.04.2024, 29.04.2024 and 30.04.2024	N.A.		

f) Excess amount for set off, if any:

S. No.	Particulars	Amount (in ₹ million)
(i)	Two percent of average net profit of the company as per Section 135(5)	44.84
(ii)	Total amount spent for the Financial Year	15.71
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: (₹ in million)

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-23	9.06	3.06	6.00	NIL	NA	3.06	NA
2	2021-22	30.78	21.88	8.90	NIL	NA	21.88	NA
3	2020-21	NIL	NIL	NIL	NIL	NA	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social responsibility amount spent in the financial year: No

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): As detailed above in this report on Corporate Social Responsibility, the Company had allocated ₹ 44.84 million towards CSR expenditure for the Financial Year 2023-24. Out of the allocated funds, ₹ 15.71 million had been spent on various programmes such as School Enhancement, Health & Wellbeing and ₹ 29.12 million remains unspent as on March 31, 2024. This unspent amount is to be utilized for the proposed School Enhancement Program and Paediatric care center which is being developed with a vision to build a leading speciality children's health centre by providing state of the art paediatric medical and clinical care at CMC Vellore. Currently, the project is under regulatory clearance and therefore, CMC Vellore has not requested for further funds from the Company; the amount lying unspent as on the year end had been transferred to Unspent CSR Account within stipulated timelines.

For and on behalf of the Board of Directors of **Quess Corp Limited**

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO
DIN No: 07596207

Sd/-
Revathy Ashok
Chairperson, CSR Committee
DIN No. 00057539

Date: May 09, 2024
Place: Bengaluru

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024, in compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**).

I. Our Corporate Governance Philosophy:

Good governance practices stem from the value system and philosophy of the organization and at Quess, we are committed to create shareholders value, governance processes and an entrepreneurial, performance focused and conducive work environment.

Our Code of Business Conduct and Ethics is an extension of our values and reflects our continued commitment to ethical business practices across our operations. This philosophy is further strengthened by its adoption of the Code of Conduct for the Board members and senior management, the Board process, the Code of Conduct for the Prevention of Insider Trading and the Code for Fair Disclosure. The Corporate Governance framework of your Company is based on an effective and Independent Board, separation of the Board's supervisory role from the Senior Management team and constitution of the Board Committees, as required under applicable laws.

The Company acknowledges adherence to all the requirements with regard to Corporate Governance, as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations. A report on these is detailed below.

II. Board of Directors:

The Board of Directors oversees the functioning of the Executive Director and Senior Management including Key Managerial Personnel. It ensures that appropriate procedures and controls are in place covering management's activities in operating the Company on ethical grounds on a day-to-day basis. The Company believes that an effective Board requires an optimum combination of professionals from different spheres with diversity and independence. The Board comprises enlightened leaders who provide strategic direction and guidance to the management and is responsible for ensuring concord between shareholders' expectations, the Company's plans and the management's performance.

a) Board Composition:

As on March 31, 2024, the Board comprised eight (8) Directors, of which four (4) are Non-Executive Independent Directors including one (1) Woman Independent Director, three (3) are Non-Executive Non-Independent Directors and one (1) is Executive Director. The Group Chief Executive Officer ('CEO') is a professional responsible for the Company's day-to-day operations. The Board is headed by a Non-Executive Chairman. The detailed profiles of our Directors are available on our official website at https://www.quesscorp.com/board-of-directors/. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations read with Section 149 of the Companies Act, 2013 **("Act")**.

Pursuant to Regulation 17A of the Listing Regulations, none of the Directors hold directorships in more than seven (7) Listed Companies or ten (10) in Public Companies or acts as an Independent Director in more than seven (7) Listed Companies. Also, none of them is a member of more than ten committees or Chairperson of more than five Committees across all the public companies in which he or she is a Director in terms of Regulation 26 of the Listing Regulations. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2024, have been received from all the Directors. None of the Directors is related inter-se or are a member of an extended family. None of the employees of the Company are related to any of the Directors. None of the Directors has any business relationship with the Company except Mr. Ajit Isaac. None of the Directors have received any loans or advances from the Company during the year.

The Directors of the Company are appointed by shareholders at the General Meetings and all Directors (other than Independent Directors) retire by rotation pursuant to the provisions of the Companies Act, 2013. The Executive Director serves in accordance with the terms of their contract of service with the Company.

Further, in terms of the annual disclosures given by the Directors, none of them is disqualified under Section 164(2) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. None of the Directors of the Company have been restrained or debarred from holding the office of director by virtue of SEBI order or any other authority.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. As required under Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possess the requisite expertise, experience and qualifications to discharge the assigned duties and responsibilities as mandated by the Act and Listing Regulations diligently. None of them held any equity share(s) or convertible instrument(s) of the Company during the financial year ended March 31, 2024.

The Company has obtained Directors' and Officers' Insurance for all its Directors of such quantum and such risks as required.

The Company has proper systems to enable the Board of Directors to review on a periodic basis compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

b) Board Meetings:

Board meetings are scheduled as required under the Listing Regulations, the Act and the rules made thereunder and as required under business exigencies. The Board met Six (6) times during the year under review and the gap between two consecutive meetings did not exceed one hundred and twenty days as stipulated under Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by The Institute of Company Secretaries of India.

These meetings were held on:

1. 17 May 2023;
2. 02 August 2023;
3. 06 November 2023;
4. 22 December 2023;
5. 02 February 2024; and
6. 16 February 2024.

The Board meetings were held at the Company's Registered and Corporate Office in Bengaluru with facility of video conferencing which was availed by a few Board members as per their convenience. The necessary quorum was present for all the Board meetings. All material information was circulated to all the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of the Listing Regulations. To enable the Board to discharge its responsibilities effectively and make informed decisions, the management apprises the Board through a presentation at every Meeting on the Company's overall performance.

The Company is in compliance with the provisions of the Listing Regulations pertaining to the convening of the Board Meeting, publication of the results, etc. The Board periodically reviews the compliance reports of all laws applicable to the Company. The information is also made available to the investors on the Company's official website at: https://www.quesscorp.com/investor-other-information/

In addition to the formal meetings, interactions outside the Board meetings also take place between the Chairperson and the Independent Directors and with other Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting **("AGM")** and the number of Directorships and Committee Chairpersonship/Memberships held by them in other public limited companies as on March 31, 2024 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

For the purpose of determining the limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

S. No.	Name & Designation of Director	Category of Director	Attendance at meetings		Number of Directorships in Public Companies (including Quess)[1]	Number of Chairmanship / Membership held in Committees of Public Companies[2] (including Quess)		Name & Category of Directors in other Listed Entities
			Number of Board Meetings attended during FY2024 (including through electronic mode)	Whether attended the last AGM held on 26 September 2023		Chairman	Member[3]	
1.	Mr. Ajit Isaac (Chairman)	Non-Independent, Non-Executive	6	Yes	3	1	2	Allsec Technologies Limited (Non-Independent, Non-Executive)
2.	Mr. Guruprasad Srinivasan (Executive Director & Group CEO)	Executive	6	Yes	7	0	0	Allsec Technologies Limited (Non-Independent, Non-Executive)
3.	Mr. Chandran Ratnaswami	Non-Independent, Non-Executive	6	Yes	8	0	4	• Thomas Cook (India) Limited • IIFL Finance Limited • Chemplast Sanmar Limited (Independent, Non-Executive)
4.	Mr. Gopalakrishnan Soundarajan	Non-Independent, Non-Executive	6	Yes	5	0	1	• Thomas Cook (India) Limited (Non-Independent, Non-Executive)
5.	Mr. K. R. Girish	Independent, Non-Executive	6	Yes	1	1	1	-
6.	Mr. Gaurav Mathur	Independent, Non-Executive	5	Yes	1	0	1	-
7.	Ms. Revathy Ashok	Independent, Non-Executive	6	Yes	9	4	9	• Astrazeneca Pharma India Limited • ADC India Communications Limited • Sansera Engineering Limited • Barbeque-Nation Hospitality Limited (Independent, Non-Executive)
8.	Mr. Sanjay Anandaram	Independent, Non-Executive	6	Yes	2	1	4	Allsec Technologies Limited (Independent, Non-Executive)

Notes:

(1) Mentioned as per financial year ended March 31, 2024.

(2) Board Committee's membership include membership of Audit Committee and Stakeholders' Relationship Committee of public limited companies, whether listed or not.

(3) Membership includes Chairpersonship.

c) **Equity shares held by Directors in the Company as on March 31, 2024:**

Name of the Director	No. of equity share held
Mr. Ajit Isaac	1,75,19,613
Mr. Guruprasad Srinivasan	1,86,702

d) **Directors with pecuniary relationship or business transaction with the Company:**

The Executive Director had received salary, perquisites and allowances and the Non-Executive Independent Directors had received sitting fees for attending meetings of the Board and Committees and commission as approved by the Board and members of the Company under the Act, as applicable.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

e) **Board qualifications, expertise and attributes:**

Pursuant to the corporate governance provisions of the Act and the Listing Regulations, our Board has an optimum combination of Executive and Non-Executive Directors with 50% of the Board comprising Independent Directors. The Nomination and Remuneration Committee **("NRC")** along with the Board identifies the right candidate with the right qualities, skills and experience required for an individual member and the Board as a whole.

Members are expected to possess the required qualifications, integrity, expertise and experience for the position. Members should also have deep expertise and insights in sectors/areas relevant to the Company, and the ability to contribute to the Company's growth.

In case of appointment of Independent Directors, NRC satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively and ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

The Board comprises qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Corporate strategy and capital allocation	Experience in developing long-term strategies to grow consumer/business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.
Corporate and Board Governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.
Global Business Management	Experience in driving business success in global markets, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks and a broad perspective on global market opportunities.
Services Business Management	Service on a board of a public company to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Technology-led transformation	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models, intellectual property in information technology domain, and knowledge of technology trends including BCP and digital transformation of services.
Finance and risk management professional	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management and financial reporting processes, or experience in actively supervising a person performing similar functions. Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company and assessing the management's actions to mitigate the strategic, legal and compliance, and operational risk exposures.
Environment, Sustainability and Governance (ESG)	Experience in leading the sustainability and ESG visions of organisations, to be able to integrate these into the strategy of the Company.

While all the Board members possess the skills identified, their core areas of expertise are given below:

Name of the Director	Area of Expertise
Mr. Ajit Isaac	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance
Mr. Guruprasad Srinivasan	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance
Mr. Chandran Ratnaswami	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Technology-led transformation, and • Finance and risk management professional
Mr. Gopalakrishnan Soundarajan	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Finance and risk management professional, and • Technology-led transformation
Ms. Revathy Ashok	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, • Technology-led transformation, • Environment, Sustainability and Governance, and • Finance and risk management professional
Mr. Sanjay Anandaram	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Environment, Sustainability and Governance, and • Finance and risk management professional
Mr. K. R. Girish	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, • Finance and risk management professional, and • Technology-led transformation
Mr. Gaurav Mathur	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, • Technology-led transformation, and • Finance and risk management professional.

f) Independent Directors:

i. Criteria of Independence –

All Independent Directors have given a declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

ii. Number of Directorships –

The number of Companies in which each Independent Director of the Company holds office as an Independent Director is within the limits prescribed under Regulation 17A and 25 of the Listing Regulations.

iii. Tenure –

None of the Independent Directors have exceeded the tenure prescribed under Regulation 25 of the Listing Regulations and Section 149(10) of the Act.

iv. Performance evaluation –

NRC has laid down criteria for the performance evaluation of Independent Directors which are given below:

- Attendance at Board meetings and Board Committee meetings;
- Chairpersonship of the Board and Board Committees;
- Contribution and deployment of knowledge and expertise at the Board and Committee meetings; and
- Guidance and support provided to Senior Management of the Company.

v. Separate meeting of Independent Directors –

As stipulated under Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on March 27, 2024 without the presence of Non-Independent Directors and members of the management to inter-alia discuss matters pertaining to:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- The performance of the Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of the flow of the information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction with the Board's freedom to express views on matters transacted at meetings and the manner in which the management discusses various subject matters specified in the agenda of meetings. The suggestions made by the Independent Directors were discussed at the Board meeting and implemented.

The Company has issued formal letters of appointment to all the Independent Directors of the Company in the manner as provided in the Act including the tenure of appointment. The terms and conditions of appointment of the Independent Directors are disclosed on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Letter-of-Appointment-for-Independent-Director-with-Terms-and-Conditions.pdf

vi. Familiarization Programme –

As trustees of shareholders, Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance. At the time of appointing a new independent director, a formal letter of appointment is given to the director, inter alia, explaining their roles, duties and responsibilities. Our Directors, at the time of their appointment, are provided with information about the Company and its organizational structure, business model, vision and values, latest published results and internal policies to familiarise them with the Company's procedures and practices.

Further, immediate updates on significant issues, if any, are provided to all the Directors immediately on the occurrence of such an event. Periodical presentations are made to the Independent Directors on the Company's strategies and business plans. The Independent Directors are also regularly informed about material regulatory and statutory updates affecting the Company. The details of such familiarisation programs are uploaded on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Directors_Familiarization_Programme.pdf

The above initiatives help the Directors to understand Quess, the business and the regulatory framework in which the Company operates and equip them to effectively discharge their role as a Director of the Company.

The Company is in compliance with Regulation 25(7) of the Listing Regulations.

g) Agenda for the meetings and information furnished to the Board:

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our annual strategic plan and operating plans of our business to the Board for their review, inputs and approval. Likewise, our quarterly financial statements and annual financial statements are first presented to the Audit Committee and subsequently to the Board of Directors for their approval. Besides, specific cases of acquisitions, important managerial decisions and statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees to the Board for their approval, as applicable. During the year, the Board of Directors accepted all recommendations of the Committees of the Board of Directors, which are mandatorily required to be made.

Information to the Directors is submitted along with the agenda papers well before the Board meeting by the Company Secretary. Detailed agenda is sent to each Director at least 7 days before the Board and Committee meetings. All material information is incorporated in the agenda along with supporting documents and relevant presentations. Where it is not practicable to attach a particular document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. Additional or supplementary item(s) on the agenda are permitted in special and exceptional circumstances.

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. All information, except critical unpublished price sensitive information (which is circulated at a shorter notice than the period prescribed under the Secretarial Standard on Meetings of the Board of Directors), is given to the Directors well in advance of the Board and the Committee meetings.

h) Code of Business Conduct & Ethics:

The Company has adopted a Code of Business Conduct & Ethics **("the Code")** which is applicable to the Board of Directors and all the employees of the Company. The Board of Directors and the members of the Senior Management Team of the Company are required to affirm the Annual Compliance of this Code. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Executive Director and Group CEO of the Company to this effect is placed at the end of this report.

Pursuant to the Code, the Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in a professional, courteous and respectful manner.

The Code is displayed on the Company's official website at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Code_of_Business_Conduct_and_Ethics.pdf

i) Conflict of Interests:

Each Director informs the Company annually about the Board and Committee positions, including Chairmanships, that she/he holds in other entities, as well as any changes that occur throughout the year. Members of the Board avoid conflicts of interest in the decision-making process while performing their duties. Members of the Board refrain from discussing or voting on transactions in which they are concerned or have an interest. The Members of the Management Committee have made the disclosure to the Board of Directors relating to transactions with a potential conflict of interest with the Company. There was no material, financial or commercial transaction, between the Company and Members of the Management Committee that may have a potential conflict with the interest of the Company at large.

j) Code of Conduct for Prevention of Insider Trading:

The Company has adopted 'Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' **("DPs")** in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 **("PIT Regulations"),** as amended from time to time.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/dealing in the Company shares and while sharing Unpublished Price Sensitive Information **("UPSI")**. The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarise with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out, etc.

A report on insider trading, covering trading by the DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee on a quarterly basis.

The Company periodically circulates the informatory e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts, etc. to the employees (including new employees) to familiarize them with the provisions of the Code. The Company also conducts frequent workshops/training sessions to educate and sensitise the employees/Designated Persons.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with the PIT Regulations. This Code is displayed on the Company's official website at https://www.quesscorp.com/investor/dist/images/pdf/Governance/Fair-Trade-Policy.pdf

III. Committees of the Board:

The Board of Directors has constituted various Committees to focus on specific areas and to make informed decisions within their authority. Each Committee is directed by its charter and/or policy which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the Committee are placed before the Board for their approval.

The Board committees are set up under the formal approval of the Board, to carry out clearly defined roles. Minutes of the meetings of all the Committees are placed before the Board for review. The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable.

With a view to have a more focused attention on business and for better governance and accountability, the Board has eight (8) committees, which comprises of five (5) statutory committees and other three (3) are non-statutory committees in line with the requirements of Act and Listing Regulations, details of which are as follows:

A. Audit Committee (AC);

B. Nomination and Remuneration Committee (NRC);

C. Stakeholders' Relationship Committee (SRC);

D. Corporate Social Responsibility Committee (CSR);

E. Risk Management Committee (RMC);

F. Share Transfer Committee (STC);

G. Administration and Investment Committee; and

H. Demerger Committee

The Composition of these committees as on March 31, 2024 is as follows –

Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Share Transfer Committee	Administration & Investment Committee	Demerger Committee
Mr. K. R. Girish (Chairperson)	Ms. Revathy Ashok (Chairperson)	Mr. Sanjay Anandaram (Chairperson)	Ms. Revathy Ashok (Chairperson)	Mr. Ajit Isaac (Chairperson)	Mr. Guruprasad Srinivasan (Chairperson)	Mr. Guruprasad Srinivasan (Chairperson)	Mr. Ajit Isaac
Ms. Revathy Ashok	Mr. Sanjay Anandaram	Ms. Revathy Ashok	Mr. Gaurav Mathur	Mr. Guruprasad Srinivasan	Mr. Ajit Isaac	Mr. Ajit Isaac	Mr. K. R. Girish
Mr. Sanjay Anandaram	Mr. Chandran Ratnaswami	Mr. Ajit Isaac	Mr. Ajit Isaac	Ms. Revathy Ashok	*Mr. Kundan K Lal	-	Mr. Guruprasad Srinivasan
Mr. Chandran Ratnaswami	-	-	-	Mr. Sanjay Anandaram	-	-	-
Mr. Gaurav Mathur	-	-	-	#Mr. Kamal Pal Hoda	-	-	-
Mr. Gopala krishnan Soundarajan	-	-	-	-	-	-	-

All members of these Committees are financially literate and have management expertise.

* Company Secretary and Compliance Officer

Chief Financial Officer

A. Audit Committee (AC):

The Audit Committee of the Company functions in accordance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of reference of the Audit Committee –

The Audit Committee meets at frequent intervals and the terms of reference of the Audit Committee as required under Section 177 of the Act and Regulation 18 of the Listing Regulations, are as follows:

a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditor of the Company;

c) Review and monitor the auditor's independence and performance and effectiveness of the audit process;

d) Approval of payments to statutory auditors for any other services rendered by statutory auditors;

e) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

    ii) Changes, if any, in accounting policies and practices and reasons for the same;

    iii) Major accounting entries involving estimates based on the exercise of judgment by management;

    iv) Significant adjustments made in the financial statements arising out of audit findings;

    v) Compliance with listing and other legal requirements relating to financial statements;

    vi) Disclosure of any related party transactions; and

    vii) Modified opinions in the draft audit report.

f) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g) Scrutiny of inter-corporate loans and/ or advances made by the Holding Company **("Quess")** in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower;

h) Scrutiny of inter-corporate investments;

i) Valuation of undertakings or assets of our Company, wherever it is necessary;

j) Evaluation of internal financial controls and risk management systems;

k) Approval or any subsequent modification of transactions of our Company with related parties;

l) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

m) Vigil mechanism/Whistle blower mechanism:

    - Ensuring the establishment of vigil mechanism for its Directors and employees to report genuine concerns;
    - Providing for adequate safeguards against mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases;
    - Ensuring that the existence of vigil mechanism is appropriately communicated within the Company and also made available on Company's website;
    - Overseeing the functioning of vigil mechanism and the Whistle blower mechanism and decide on the matters reported thereunder and
    - Ensuring that the interests of a person who uses such a mechanism are not prejudicially.

n) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

o) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussion with internal auditors on any significant findings and follow up thereon;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Approval of appointment of the chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience and background, etc. of the candidate;

u) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee;

v) Reviewing the utilisation of loans and/ or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date;

w) Review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider

Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;

x) consider and comment on the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholders; and

y) approval or any subsequent modification of transactions of the company with related party.

Attendance details of the members of the Audit Committee are as follows –

Name of the Director	Category	Designation	Dates of Committee Meeting					
			17 May 2023	02 Aug 2023	06 Nov 2023	22 Dec 2023	02 Feb 2024	16 Feb 2024
Mr. K. R. Girish	Independent Director	Chairperson	✓	✓	✓	✓	✓	✓
Ms. Revathy Ashok	Independent Director	Member	✓	✓	✓	✓	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓	✓	✓	✓	✓
Mr. Chandran Ratnaswami	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓
Mr. Gaurav Mathur	Independent Director	Member	X	✓	✓	✓	✓	✓
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓

Notes:

The gap between two meetings did not exceed 120 days.

As required under Regulation 18 of the Listing Regulations, the Chairman of the Audit Committee is an Independent Director.

The Chairman, Executive Director and Group Chief Executive Officer, Chief Financial Officer of the Company, who is responsible for the finance function, the Head of the Internal Audit and representatives of the Internal Auditors and the Statutory Auditors are regularly invited to attend meetings of the Audit Committee.

The Company Secretary and Compliance Officer of the Company is the Secretary to the Audit Committee.

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the Secretarial Standards, Mr. K. R. Girish, the Chairman of the Committee was present at the last AGM of the Company, held on 26 September 2023, to answer shareholder queries.

B. Nomination and Remuneration Committee (NRC):

NRC functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Terms of Reference of NRC –

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of the performance of Independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;

e) Analysing, monitoring and reviewing various human resource and compensation matters;

f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of fixed and variable components;

h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

   i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as and when the same comes into force; or

   ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee; and

m) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Attendance details of the members of NRC are as follows –

Name of the Director	Category	Designation	Dates of Committee Meeting	
			17 May 2023	16 February 2024
Ms. Revathy Ashok	Independent Director	Chairperson	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓
Mr. Chandran Ratnaswami	Non-Executive Director	Member	✓	X

Notes:

The Company Secretary and Compliance Officer of the Company is the Secretary to the NRC.

Performance evaluation of Board, Committees and Directors

Our Company understands the requirement of an effective Evaluation process and accordingly conducts the Performance Evaluation every year, through a structured evaluation process, in respect of the following:

i. Board of Directors as a whole.

ii. Committees of the Board of Directors.

iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Act, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, your Company has carried out a Performance Evaluation process internally for the Board, Committees of the Board, Individual Directors including the Chairman of the Board of Directors for the financial year ended March 31, 2024. During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the relevant SEBI Circular.

Board and Individual Directors:

The parameters for performance evaluation of Board includes composition of Board, the process for appointment to the Board, succession planning, handling critical and dissenting suggestions, attention to Company's long term strategy, evaluation of the governance levels of the Company, quality of discussions at the meeting, reviewing Management's Performance, working in the interests of all the stakeholders of the company, etc.

The parameters of the performance evaluation process for Directors, inter alia, includes effective participation in meetings of the Board, understanding of the roles and responsibilities, domain knowledge, attendance of Director(s), maintaining confidentiality, openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion, maintaining relationships of mutual trust and respect with Board members, acting in good faith and in the interests of the company as a whole, etc. Independent Directors were evaluated by the entire Board with respect to fulfilment of independence criteria as specified in the Listing Regulations and Companies Act, 2013 and their Independence from the Management.

Additional criteria for evaluation of Chairman of the Board includes the ability to co-ordinate Board discussions, the effectiveness of leadership, impartiality, commitment, steering the meeting effectively, seeking views and dealing with dissent, etc.

Executive Director & CEO:

NRC evaluates the performance of the Executive Director & CEO by setting his Key Performance Objectives at the beginning of each financial year. The Committee ensures that his Key Performance Objectives are aligned with the immediate and long-term goals of the Company. In addition, the performance of the Executive Director vis-à-vis the Performance Objectives/Parameters set at the beginning of the financial year are also reviewed by the Committee during the year.

Committees of the Board:

The performance evaluation of committee's included aspects like degree of fulfilment of key responsibilities as outlined by the charter, adequacy of committee composition, effectiveness of discussions at the Committee meetings, quality of deliberations at the meetings and information provided to the Committee. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward. Based on the outcome of the performance evaluation exercise, areas have been identified for the Board to engage itself with and the same would be acted upon.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1-3. Duly completed formats were sent to the Chairman of the Board and the Chairman/Chairperson of the respective Committees of the Board for their consideration. The Chairperson(s) of the respective Committees based on feedback received from the Committee members on the outcome of performance evaluation exercise of the Committee, shares a report to the Board.

Succession Planning:

NRC reviews succession planning mechanism, which focuses on orderly succession for the Board members including CEO and one level below the Board and other key employees and updates the Board about the same on a periodical basis. The Board of Directors are satisfied that plans are in place for orderly succession for the appointment of Board members and other senior management.

Policy on Nomination, Removal, Remuneration and Board Diversity:

In compliance with the requirements of Section 178 of the Act, rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel **("KMPs"),** Senior Management Personnel **("SMPs"),** Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Directors, KMPs and SMPs, remuneration paid/payable to them, Board diversity, etc. The said policy has been uploaded on the official website of the Company at www.quesscorp.com and is available at the link https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf

The Non-Executive, Independent Directors are paid sitting fees for attending the Board and Committees meetings within the limits laid down by the Act read with relevant rules made thereunder. The Non-Executive Director/ Independent Directors do not have any material pecuniary relationship or transactions with the Company. During the financial year 23-24, the Company paid sitting fees of ₹75,000/- per Board Meeting and ₹ 25,000/- for the Committee Meetings to Independent Directors for attending meetings of the Board and Committees.

Remuneration for the Executive Director & Group CEO and other senior officials consists of fixed and variable components. On the recommendation of NRC, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Director within the limits prescribed under the Act is approved by the Board and by the Members in the General Meeting. Further, eligible employees have been granted Restricted Stock Units (RSUs) under Quess Stock Ownership Plan-2020 as recommended and approved by the Nomination and Remuneration Committee.

The Commission payable to the Independent Directors is as decided by the Board and approved by the Shareholders, the sum of which does not exceed 1% of the net profits for the year, calculated as per the provisions of the Act.

The following are the details of the remuneration paid/payable to the Directors for the FY24: (₹ in Millions)

S. No.	Name of the Director	Sitting Fees	Salary and Perquisites (excluding ESOP/RSUs)	Commission/ Incentives	Total
1.	Mr. Ajit Isaac	-	-	-	-
2.	Mr. Guruprasad Srinivasan*	-	21.83	-	21.83
3.	Mr. Chandran Ratnaswami	-	-	-	-
4.	Mr. Gopalakrishnan Soundarajan	-	-	-	-
5.	Mr. K. R. Girish	0.60	-	0.75	1.35
6.	Mr. Gaurav Mathur	0.55	-	0.75	1.30
7.	Ms. Revathy Ashok	0.78	-	0.75	1.53
8.	Mr. Sanjay Anandaram	0.73	-	0.75	1.48

*Mr. Guruprasad Srinivasan's ESOPs/RSUs value for FY23-24 was ₹27.05 million.

During the year under review, the Company has not advanced loans to any of its Directors.

C. Stakeholders' Relationship Committee (SRC):

SRC of the Company functions in accordance with Section 178(5) of the Act and Regulation 20 of the Listing Regulations.

SRC of the Board of Directors deals with stakeholder relations and share/debenture holders' grievances including matters related to non-receipt of the Annual Report, non-receipt of the declared dividend and other such issues as may be raised by them from time to time. It ensures that investor grievances/complaints/queries are redressed in a timely manner and to the satisfaction of the investors. In addition, the Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services.

Terms of Reference of SRC –

a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

b) Review of measures taken for the effective exercise of voting rights by shareholders;

c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and

d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Attendance details of the members of the SRC are as follows –

Name of the Members	Category	Designation	Date of the Committee meeting
			04 May 2023
Mr. Sanjay Anandaram	Independent Director	Chairperson	✓
Ms. Revathy Ashok	Independent Director	Member	✓
Mr. Ajit Isaac	Chairman	Member	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the CSR Committee.

Investor grievances and queries –

The queries received and resolved to the satisfaction of the investors during the year are:

S. No.	Particulars	Pending as on 01.04.2023	Received during FY24	Resolved during FY24	Balance as on 31.03.2024
1.	SEBI SCORES Website	-	-	-	-
2.	Registrar of Companies	-	-	-	-
3.	Stock Exchange(s)	-	-	-	-
4.	Miscellaneous	-	8	8	-
	Total	**-**	**8**	**8**	**-**

D. Corporate Social Responsibility Committee (CSR):

CSR Committee of the Company functions in accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereof.

The Board has adopted a CSR Policy, according to the recommendations of CSR Committee. It formulates the guidelines for undertaking programs that ensure sustainable development of the community. It encompasses all CSR activities undertaken by the group and works towards the benefit of women, children and society.

For further details, please refer our CSR page - https://www.quesscorp.com/csr/ and the policy can be accessed at the official website of the Company at - https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf

Terms of Reference of CSR Committee –

a) Formulate and recommend to the Board a Corporate Social Responsibility Policy **("CSR Policy")** and the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b) Identifying the areas of CSR activities;

c) Recommending the amount of expenditure to be incurred on the identified CSR activities;

d) Implementing and monitoring the CSR Policy from time to time;

e) Coordinating with **"Careworks Foundation"** or other such agency in implementing programs and executing initiatives as per the CSR Policy of the Company;

f) Reporting progress of various initiatives and making appropriate disclosures on a periodic basis;

g) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy;

h) Review Sustainability initiatives of the company and provide guidance on aspects of sustainability policies and programs including environmental sustainability, climate change, responsible sourcing, biodiversity, energy & water conservation;

i) Overseeing the Company's initiatives and reviewing the risk and opportunities related to Environment, Social and Governance **("ESG").**

j) Review regularly and making recommendations about changes to the charter of the Committee;

k) Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

l) The Committee shall oversee the process of joint CSR efforts in case of collaboration with other company(ies) to ensure that the Company can meet its reporting obligations in this regard.

m) The Committee shall monitor the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds; and

n) The Committee shall formulate necessary monitoring mechanism to enable the Board to satisfy itself that the funds disbursed for CSR activities or projects or programs have been utilized for the purposes and in the manner as approved by it.

Attendance details of the members of the CSR Committee are as follows –

Name of the Members	Category	Designation	Dates of Committee Meeting	
			04 May 2023	31 October 2023
Ms. Revathy Ashok	Independent Director	Chairperson	✓	✓
Mr. Gaurav Mathur	Independent Director	Member	✓	✓
Mr. Ajit Isaac	Chairman	Member	✓	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the CSR Committee.

E. Risk Management Committee (RMC):

RMC of the Company functions in accordance with Regulation 21 of the Listing Regulations. The Committee meets at frequent intervals depending upon the requirements.

The primary responsibility of the Committee is to assist the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and the cyber security.

Terms of Reference of RMC –

a. The Risk Management Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).

b. The Risk Management Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

c. The Risk Management Committee shall make regular reports/ recommendations to the Board.

d. To formulate a detailed risk management policy which shall include:

    i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

    iii. Business continuity plan.

e. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

f. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

g. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

h. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

The Risk Management Policy is available on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf

Attendance details of the members of RMC as on March 31, 2024 are as follows –

Name of the Members	Category	Designation	Dates of Committee Meeting	
			04 May 2023	31 October 2023
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓
Mr. Guruprasad Srinivasan	Executive Director & Group CEO	Member	✓	✓
Ms. Revathy Ashok	Independent Director	Member	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓
Mr. Kamal Pal Hoda	Chief Financial Officer	Member	✓	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the Committee.

F. Share Transfer Committee (STC):

STC generally meets in a regular interval to approve, inter alia, the requests for transfer and transmission of shares.

There is no pending transfer of shares as on March 31, 2024.

Terms of reference of STC –

a. Deletion of name of the deceased holder(s) of securities, where the securities are held in the name of two or more holders of securities;

b. Transmission of securities to the legal heir(s), where deceased holder of securities was the sole holder of securities;

c. Transposition of securities, when there is a change in the order of names in which physical securities are held jointly in the names of two or more holders of securities;

d. Transfer of securities, dematerialisation and re-materialisation of shares; and

e. Issue of duplicate or split share certificates.

The processing activities with respect to requests received for share transfers were generally completed within three to five working days.

IV. Particulars of Senior Management Personnel and changes since the close of previous financial year:

Senior Management shall comprise the officers part of its core management team, the members of the management one level below the Chief Executive Officer (Chief Executive Officer is not part of the Board of Directors), the Company Secretary and the Chief Financial Officer as per Reg. 16(1)(d) of the Listing Regulations.

Accordingly; the Senior Management of your Company shall comprise the following positions and the personnel occupying respective positions as on March 31, 2024 shall be as follows:

Name of Senior Management Personnel ("SMP")	Designation	Changes if any, during the year 2023-24 (Yes/ No)	Nature of changes and Effective date
Mr. Guruprasad Srinivasan	Executive Director & Group CEO	No	-
Mr. Kamal Pal Hoda	Group Chief Financial Officer	No	-
Mr. Lohit Bhatia	President - Workforce Management	No	-
Ms. Ruchi Ahluwalia	Group Chief People Officer	No	-
Mr. Kundan K Lal	VP & Company Secretary	No	-
Mr. Pinaki Kar	President – Technology Solutions	No	-
Mr. Vijay Sivaram	CEO – IT Staffing, Recruitment & Search	No	-

V. General Body Meetings (Annual General Meeting):

a. Annual General Meeting ("AGM"):

The details of AGM's convened during the last three (3) years are as follows:

Financial Year	Date	Time	Venue	Special resolutions
2022-23	September 26, 2023	03.30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	To continue the directorship of Mr. Chandran Ratnaswami (DIN: 00109215) as a Non–Executive Director of the Company beyond the age of 75 years.
2021-22	September 22, 2022	03.30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	-
2020-21	September 21, 2021	03:30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. Re-designation of Mr. Ajit Isaac (DIN: 00087168) as a Chairman and Whole-time Director **("Executive Chairman")** of the Company and revision of terms. 2. Elevation of Mr. Krishna Suraj Moraje (DIN: 08594844) as Managing Director and Group CEO of the Company and revision of terms. 3. Approval for giving loans, making investments, extending guarantees or securities under Section 185 of the Companies Act, 2013.

b. Postal Ballot:

During the financial year, none of the businesses proposed to be transacted at the ensuing AGM require passing an ordinary or special resolution through postal ballot.

VI. Means of Communication with Shareholders:

a. **Quarterly Results:** Prior intimation of the Board Meeting to consider and approve Unaudited/Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the official website of the Company at www.quesscorp.com. The aforesaid Financial Results are immediately intimated to the Stock Exchange(s) after the same is approved at the Board Meeting. The Annual Audited Financial Statements are sent to every member of the Company in the prescribed manner. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE), National Stock Exchange of India Limited (NSE) viz., BSE Listing Centre, NSE Electronic Application Processing System (NEAPS).

b. **Newspapers:** The quarterly, half-yearly and annual Financial Results of the Company are published in widely circulated daily Newspapers, viz., **"Financial Express" "Business Standard"** (English) and in the **"Hosa Digantha"** (Kannada).

c. **Website:** The website of the Company https://www.quesscorp.com/ contains a dedicated section **"Investor Relations"** which contains details/ information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Press Releases, Company Policies, etc. The Members/ Investors can view the details of electronic filings done by the Company on the respective websites of BSE and NSE i.e., https://www.bseindia.com/ and https://www.nseindia.com/.

d. **Press Releases:** Official Press Releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are simultaneously hosted on the official website of the Company.

e. **Presentations to institutional investors/ analysts:** All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the media, other stakeholders and uploading on the Company's official website. During the year under review, the Company made presentation to the investors/analyst through conference call. The details are also displayed on the Company's official website https://www.quesscorp.com/.

f. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status are updated/ resolved electronically in the SEBI SCORES system.

g. **Annual Report:** The Annual Report circulated to members and others entitled thereto in electronic and physical modes is disseminated to Stock Exchanges and uploaded on the Company's official website.

VII. General Shareholder Information:

a. **Annual General Meeting for FY24:**

Day: Monday

Date: 16 September 2024

Time: 03:30 PM

Meeting Format: Annual General through Video Conferencing/ Other Audio-Visual Means.

Deemed Venue for Meeting: Registered and Corporate Office: 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560 103

b. **Financial Year:**

1 April to 31 March

c. **Dates of Book Closure:**

As mentioned in the Notice of this AGM.

d. **Name and address of each Stock Exchange(s) at which the Company's securities are listed and confirmation about payment of annual listing fee to each of such stock exchange(s) -**

Equity shares of the Company are listed and traded on the following Stock Exchange(s):

Exchange	Address	Scrip Code
BSE Limited, Mumbai (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	539978
The National Stock Exchange of India Limited, Mumbai (NSE)	Exchange Plaza, Bandra - Kurla Complex Bandra (East), Mumbai – 400050	QUESS

The annual listing fees for FY24 to BSE and NSE have been paid to both the Exchanges. The annual custodial fees have been paid to NSDL and CDSL.

e. **Stock Exchange codes:**

ISIN Number: INE615P01015

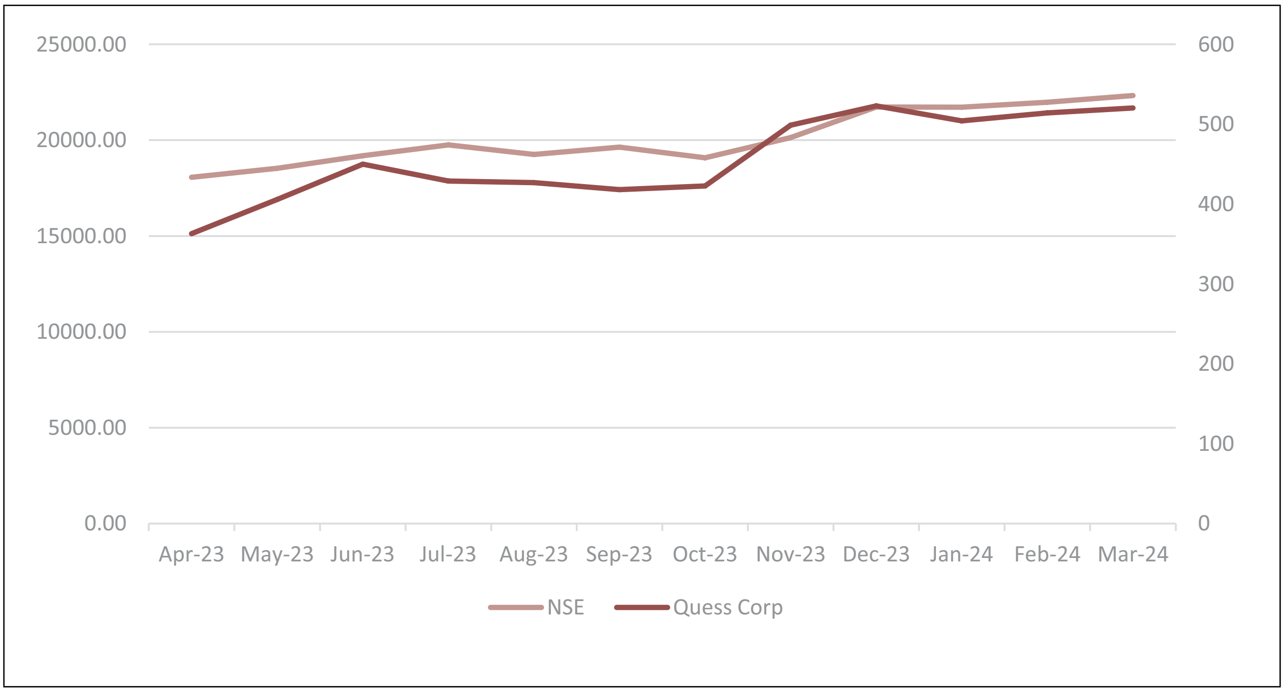
Name of the Stock Exchange(s)	Scrip Code
BSE Limited, Mumbai (BSE)	539978
The National Stock Exchange of India Limited, Mumbai (NSE)	QUESS

f. Market Price Data:

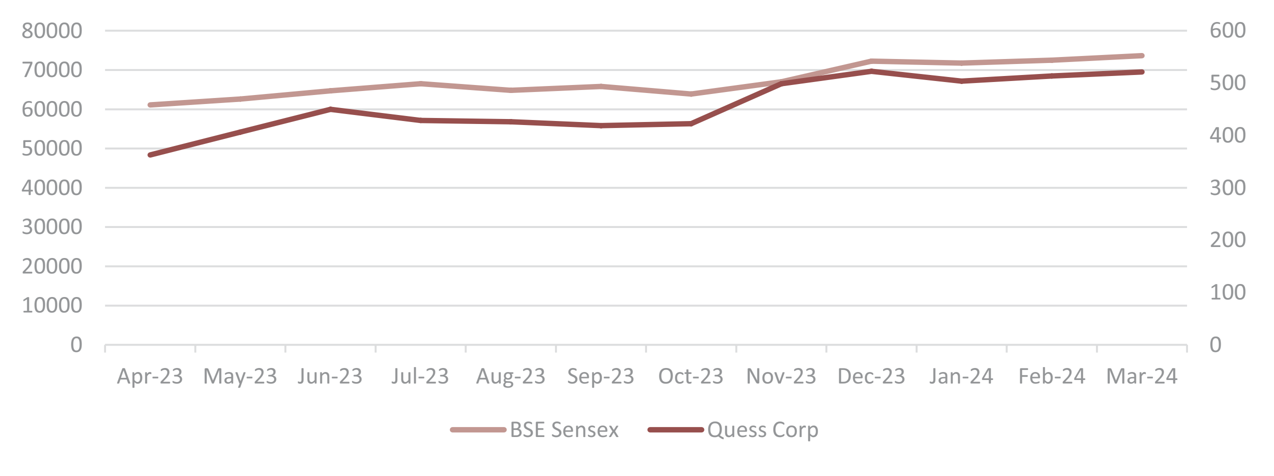
The monthly high and low quotations, as well as the volume of shares traded at the BSE and NSE for the current year are provided as follows:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr 23	381.65	359.40	1,91,537	382.00	358.85	47,66,700
May 23	421.45	359.15	5,60,848	421.30	359.40	1,16,62,705
Jun 23	456.95	407.75	6,24,293	457.00	405.75	70,08,164
Jul 23	477.40	423.85	2,18,358	452.15	424.00	30,37,817
Aug 23	437.70	397.90	2,95,731	437.90	397.70	41,73,097
Sep 23	459.90	416.10	6,14,846	459.80	412.25	95,02,349
Oct 23	445.00	401.00	4,37,196	446.00	400.35	31,85,599
Nov 23	527.30	418.25	10,93,227	527.30	418.30	1,68,26,062
Dec 23	531.55	478.80	8,22,706	531.95	478.25	1,11,67,194
Jan 24	539.00	473.15	4,97,956	538.90	472.50	89,80,058
Feb 24	580.00	460.00	7,51,174	582.00	459.50	1,81,17,580
Mar 24	530.80	464.40	2,98,653	529.65	464.10	65,93,978

g. Performance on NSE versus Quess Corp:



h. Performance on BSE Sensex versus Quess Corp:



During the financial year ended March 31, 2024, securities of the Company have not been suspended from trading on any of the stock exchanges where they are listed.

i. The Registrar & Share Transfer Agent:

The Company has appointed Link Intime India Private Limited as its Registrar and Transfer Agent (RTA). All share transfers and related operations are conducted by RTA, which is registered with the SEBI.

Contact	Email	Address
Ms. Surabhi Gangatirkar	rnt.helpdesk@linkintime.co.in	Link Intime India Private Limited 247 Park, C 101, 1st Floor, LBS Marg, Vikhroli (W), Mumbai – 400 083, Maharashtra, India Tel: +91 22 49186270 Fax: +91 22 49186060 www.linkintime.co.

j. Share Transfer System:

As on March 31, 2024, 99.77% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company.

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for the dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

SEBI, vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018, amended Regulation 40 of the Listing Regulations, pursuant to which after 5 December 2018 transfer of securities could not be processed unless the securities are held in the dematerialised form with a depository. Members holding shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer the shares held in physical mode.

In view of the above and considering the benefits of holding shares in electronic form, the shareholders holding physical share certificates are requested to dematerialize their holding at the earliest.

Updating KYC details:

Efforts are underway to update Permanent Account Number (PAN) and bank account details of shareholder(s) as required by SEBI. The regulator, vide circular dated November 3, 2021, and December 15, 2021, has mandated holders of physical securities to furnish PAN, KYC and nomination details. Members are requested to submit PAN, KYC and nomination details to the Company's registrars through the forms available with the RTA at https://linkintime.co.in/. The Company has sent communications in this regard to eligible shareholders.

Equity Shares in the Unclaimed Suspense Account:

In terms of Regulation 39 of the SEBI Listing Regulations, details of the equity shares lying in the Unclaimed Suspense Account are as follows:

Particulars	No of Shareholders	No of Shares
Opening balance: Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (i.e. 1 April 2023)	0	0
Less: Number of shareholders who approached listed entity and their shares were transferred from suspense account during the Financial Year 2024	0	0
Less: Number of shareholders whose shares were transferred from suspense account to IEPF during the Financial Year 2024	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year (i.e. March 31, 2024)	0	0

Your Company confirms that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

k. Distribution of shareholding as on March 31, 2024:

Particulars	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount
1 to 500	86,142	94.92	49,05,373	3.30
501 to 1000	2,235	2.46	16,88,246	1.14
1001 to 2000	1,201	1.32	17,67,482	1.19
2001 to 3000	388	0.43	9,70,134	0.65
3001 to 4000	161	0.18	5,66,279	0.38
4001 to 5000	103	0.11	4,71,658	0.32
5001 to 10000	212	0.24	15,73,606	1.06
10001 & above	309	0.34	13,65,66,606	91.96
TOTAL	**90,751**	**100**	**14,85,09,384**	**100**

Distribution of Shareholding by ownership as on March 31, 2024:

Category	No. of Equity Shares held	% of holding
Promoter & Promoter Group	8,41,09,774	56.64
Mutual Funds	1,32,44,100	8.91
FII & FPI & Foreign National & Foreign Banks	2,27,23,073	15.30
Non Resident Indians	13,81,164	0.93
Financial Institutions & Banks & AIFs & NBFCs	5,00,968	0.34
Retail (Individual & HUF)	2,23,31,278	15.04
Bodies Corporates / LLP	37,06,948	2.50
Clearing Members	1,435	0.01
Directors & relatives	1,87,320	0.13
IEPF	79,772	0.05
Trust	2,43,552	0.15
Total	**14,85,09,384**	**100%**

l. Dematerialization of Shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. As at March 31, 2024, 14,81,65,432 equity shares representing 99.77% of the total equity share capital of the Company were held in dematerialised form.

Status of Dematerialization	No. of Shares	% of Total Shares
Shares held in NSDL	14,13,25,729	95.16%
Shares held in CDSL	68,39,703	4.61%
Shares held in Physical Form	3,43,952	0.23%
Total	**14,85,09,384**	**100%**

m. Outstanding GDRs/ ADRs/ Warrants/ Options or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

n. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15 November 2018 is not required to be given. For details of foreign exchange risk and hedging activities, please refer to the Management's Discussion and Analysis.

o. Plant locations/ Branch Offices:

The Company had 29 branches as on March 31, 2024 across India.

p. Address for correspondence:

Shareholders/ Investors may write to the Company Secretary at the following address:

Matters	Contact	Email	Address
For Corporate Governance and Other Secretarial related matters	Mr. Kundan K Lal Vice President & Company Secretary	investor@quesscorp.com	The Company Secretary Quess Corp Limited Registered Office Address: 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560103 Phone No: 080-6105 6001, Fax No: 080-61056406 www.quesscorp.com

q. Credit Rating:

List of all Credit Ratings obtained by the entity along with revisions, if any, thereto during the relevant financial year: As on 27 February 2024, ICRA has placed its ratings on all the instruments of the Company on **"Watch with Developing Implications".**

r. Reconciliation of the share capital audit:

In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, reconciliation of the Share Capital Audit is conducted every quarter by Mr. S. N. Mishra, Practicing Company Secretary to reconcile the total admitted capital with the National Securities Depository Limited (NSDL), the Central Depository Services (India) Limited (CDSL) and physically with the shareholders and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The report is disseminated to the stock exchanges within the prescribed timeline on a quarterly basis, where the shares of the Company are listed.

VIII. Website disclosures:

Corporate Social Responsibility Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf
Risk Management Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf
Vigil Mechanism	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf
Code of Conduct	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Code_of_Business_Conduct_and_Ethics.pdf
Nomination and Remuneration Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf
Code of Conduct for Prevention of Insider Trading	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Code-of-Conduct-for-prevention-and-Prohibition-of-Insider-Trading.pdf
Material Subsidiary Policy	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf
Policy on Related Party Transactions	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf
Policy on Determination of Materiality of Events and Information	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-Materiality-of-events-information.pdf
Policy on Preservation of Documents	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Policy_for_Preservation_of_Documents.pdf
Terms and Conditions of Appointment of Independent Directors	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Letter-of-Appointment-for-Independent-Director-with-Terms-and-Conditions.pdf
Archival Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Archival_Policy.pdf
Details of its Business	https://www.quesscorp.com/company-profile/
Composition of Various Committees of the Board of Directors	https://www.quesscorp.com/corporate-governance/
Dividend Distribution Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Dividend_Distribution_Policy.pdf

IX. Other Disclosures:

a. Materially significant related party transactions:

Omnibus and prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the financial year ended March 31, 2024, the Company did not have any 'material' related party transaction that may have potential conflict with the interests of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transactions Policy pursuant to the requirements of Section 188 of the Act, and rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transactions Policy has been uploaded on the official website of the Company at https://www.quesscorp.com/.

The Disclosure on Related Party Transactions forms an integral part of the Notes to Financial Statements of the Company for the financial year ended March 31, 2024 (both standalone and consolidated basis) as included in this Report.

b. Details of non-compliance by the Company during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. No penalty has been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on such matters.

c. Whistle-Blower Policy/ Vigil Mechanism:

The Company has adopted the Whistle-Blower Policy pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. The Board of Directors has amended the existing Whistle Blower Policy and adopted the revised Whistle Blower Policy, effective from 2 February 2024. No person has been denied access to the Audit Committee.

The Whistle Blower Policy is available on the official website of the Company https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf

d. Regulatory orders:

There are no regulatory orders apart from the details provided in the Board's report of this report.

e. Web-link where Policy on dealing with Related Party Transactions:

The Policy on Related Party Transactions, as approved by the Board, is displayed on the official website of the Company at - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf

f. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company raised capital from Amazon.com NV Investment Holdings LLC, a category III Foreign Portfolio Investor amounting to ₹50,99,99,412 through the preferential issue on October 25, 2019 for the business purpose of Qdigi Services Limited **("Qdigi")**, wholly- owned subsidiary of the Company, out of which ₹ 5,00,00,000 has been utilised as on March 31, 2024. The Company has been filing every quarter the statement of deviation or variation pursuant to Regulation 32 (3) of the SEBI (LODR) Regulation, 2015. There is no deviation in the usage of the funds.

Further, the Company has made disinvestment of the entire stake in Qdigi to Onsite Electro Services Private Limited. Pursuant to the above, Qdigi ceased to be the subsidiary of the Company. In connection with the said disinvestment, an Investment Agreement dated July 12, 2019 entered into between the Company and Amazon.Com NV Investment Holdings LLC in respect of Qdigi has also been terminated.

g. Certificate from a Company Secretary in Practice:

A Certificate confirming that none of the Directors on the Board has neither been debarred nor disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate to this effect from Mr. S. N. Mishra Practicing Company Secretary, Bengaluru as mandated under Schedule V, Part C, Clause 10 (i) of the SEBI Listing Regulations.

h. Remuneration paid to Statutory Auditors:

During FY24, the total fees for all services paid by the Company and its subsidiaries including Allsec Technologies Limited (A listed entity) on a consolidated basis, to M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company as under:

Quess Corp Limited **(₹ in million)**

Particulars	For the financial year ended 31-Mar-24
Statutory audit fees	14.50
Limited reviews	3.80
Others	1.87
Reimbursement of expenses	0.78
TOTAL	**20.95**

Subsidiaries (Allsec and Terrier) **(₹ in million)**

Particulars	For the financial year ended 31-Mar-24
Statutory audit fees	5.75
Limited reviews	2.25
Others	0.30
Reimbursement of expenses	0.40
TOTAL	**8.70**

i. Prevention, Prohibition and Redressal of Sexual Harassment:

The Company is committed to providing a safe and conducive work environment to its employees and has adopted a policy on Prevention, Prohibition and Redressal of sexual harassment at the workplace in line with the provisions of the Sexual

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The number of complaints received during FY24 along with their status of Redressal as on FY ended March 31, 2024 are as under:

For Core Employees:

No. of complaints pending at the beginning of the FY 24	0
No. of complaints filed during the FY24	0
No. of complaints disposed of during the FY24	0
No. of complaints pending at the end of the FY 24	0

For Associate Employees:

No. of complaints pending at the beginning of the FY 24	3
No. of complaints filed during the FY24	45
No. of complaints disposed of during the FY24	45
No. of complaints pending at the end of the FY 24	3

j. **Disclosure of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:**

The Company and its Subsidiaries have not provided any loans and advances in the nature of loans to firms/ companies in which directors are interested.

k. **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

Conneqt Business Solutions Limited (CIN: U64200KA1995PLC148924), material subsidiary has been merged with Quess Corp Limited vide order passed by Hon'ble NCLT, Bengaluru bench dated 31st October, 2023.

l. **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof –** Nil

X. Subsidiary Companies:

The Company has 31 Subsidiary Companies comprising 12 Indian Companies and 19 Foreign Companies. Further, there are 1 Indian and 2 Foreign Associate Companies.

The Audit Committee of the Company reviews the financial statements of these subsidiaries at periodic intervals. The Minutes of the Board Meetings of these subsidiaries are placed at the Board Meeting of the Company every quarter. All significant transactions and arrangements, if any, entered into by the subsidiaries are periodically reported to the Board of Directors.

In terms of Regulation 16 of the Listing Regulations, the Board of Directors formulated a policy for determining material subsidiaries and the policy is available on the official website of the Company at: https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf

XI. Corporate Governance Compliance Certificate:

A certificate from Mr. S.N. Mishra, Practicing Company Secretary, Bengaluru, confirming compliance to conditions of Corporate Governance, as stipulated under the Listing Regulations, forms part of the Annual Report.

XII. CEO / CFO Certificate:

The Chief Executive Officer (CEO) / Chief Financial Officer (CFO) certification in terms of the Listing Regulations forms part of the Annual Report.

XIII. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Funds:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 **("IEPF Rules")**, dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund **("IEPF").**

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

Due Dates for Transfer of Unclaimed Dividend to the Investor Education and Protection Fund **("IEPF"):**

Year	Dividend	Date of Declaration	Due Date for transfer to IEPF
FY 2021-22	Interim Dividend	05 May 2021	June 07, 2028
FY 2021-22	Interim Dividend	13 November 2021	December 16, 2028
FY 2022-23	Interim Dividend	31 May 2022	July 05, 2029
FY 2022-23	Interim Dividend	09 November 2022	December 14, 2029
FY 2023-24	Interim Dividend	02 February 2024	March 07, 2031

XIV. Details of Compliance with Mandatory Requirements:

The Company is fully compliant with the applicable mandatory requirements of Regulation 34 and Schedule V of the Listing Regulations. The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

XV. Disclosure of certain types of agreement binding listed entities:

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

XVI. Adoption of Non-Mandatory Requirements:

Part E of Schedule II of the Listing Regulations contains certain non-mandatory requirements that a company may implement at its discretion. The status of compliance of the non-mandatory requirements is as follows:

A. The Board:

The Company has Non-Executive Chairperson w.e.f. 1 April 2022, separate positions were appointed for the post of Chairman and Executive Director & Group CEO.

None of the Independent Directors of the Company is a non-independent director/executive director of another company on the Board of which any non-independent director/executive director of the Company is an Independent director.

No person has been appointed or continues as an alternate director for an independent director of the Company.

B. Shareholders' Rights:

The half-yearly declarations of financial performance together with the summary of significant events in the last six months are not individually provided to the shareholders. However, information on financial and business performance is provided in the 'Investors section' of the Company's official website, www.quesscorp.com, on a quarterly basis.

C. Audit Qualification:

The Auditors' modified opinion has been appropriately dealt with in Note No. 41.4 (Consolidated Financial Statements) and Note No. 38.4 (Standalone Financial Statements) and doesn't require any further comments under section 134 of the Act.

D. Separate positions of the Chairperson and the CEO/Managing Director:

The Position of the Chairperson and CEO are separate.

E. Reporting by the Internal Auditor:

The Internal Auditor reports to the Audit Committee of the Board of Directors of the Company. The Audit Committee is empowered to hold separate meetings and discussions with the Internal Auditor.

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT OF THE COMPANY

I, Guruprasad Srinivasan, Executive Director & Group Chief Executive Officer of the Company hereby declare that pursuant to Regulation 26(3), 34(3) read with Schedule V (D) of the SEBI Listing Regulations, all the members of the Board and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2024.

Sd/-

Guruprasad Srinivasan
Executive Director and Group CEO
DIN: 07596207

Place: Bengaluru
Date: May 09, 2024

TO WHOMSOEVER IT MAY CONCERN CERTIFICATE – STATUS OF DIRECTORS

I, S.N. Mishra, proprietor of SNM & Associates, Bengaluru, Practicing Company Secretary, have examined all the relevant documents and records made available to us by Quess Corp Limited CIN: L74140KA2007PLC043909 for the period ended on March 31st 2024 and hereby certify as follows:

None of the directors on the Board of Quess Corp Limited as on the date of this certificate have been debarred or disqualified from being appointed or continuing as directors of companies by the Security and Exchange Board of India ("SEBI") or Ministry of Corporate Affairs ("MCA") or any other statutory authorities.

Sd/-

S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No. : 1603/2021
UDIN: F006143F000338508

Place: Bengaluru
Date : May 09 2024

CEO AND CFO CERTIFICATION

[As per the Regulation 17(8) and 33 of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
Quess Corp Limited
Bengaluru

We, Guruprasad Srinivasan, Executive Director & Group Chief Executive Officer and Kamal Pal Hoda, Group Chief Financial Officer of Quess Corp Limited **("the Company"),** to the best of our knowledge and belief, certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended 31 March 2024 and that to best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31 March 2024 which is fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

   i. There have not been any significant changes in internal control over financial reporting during the quarter under reference;

   ii. There has not been any significant changes in accounting policies during the financial year ended 31 March 2024 and that the same have been disclosed in the notes to the financial statements; and

   iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: May 09, 2024

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO
DIN: 07596207

Sd/-
Kamal Pal Hoda
Group Chief Financial Officer
DIN: 09808793

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Board of Directors
Quess Corp Limited
Bengaluru

We have examined all relevant records of Quess Corp Limited **("Company")**, for the purpose of certifying compliance of the conditions of Corporate Governance pursuance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year ending March 31, 2024.

Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

In our opinion from the examination of the records produced and to the best of our information and according to the explanations given to us, by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as on March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No. : 1603/2021
UDIN : F006143F000338651

Place: Bengaluru
Date : May 09, 2024

INDEPENDENT AUDITOR'S REPORT

To The Members of Quess Corp Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Quess Corp Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

As stated in note 38.4 to the standalone financial statements, 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 38.4 to the standalone financial statements, 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.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Emphasis of Matters

- We draw attention to Note 38.3(i) to the standalone financial statements, regarding the demands received by the Company in respect of Provident Fund and the contingency related to the pending litigation on the said matter.
- We draw attention to Note 44 to the Statement, regarding the Scheme of Amalgamation among Quess Corp Limited with three of its wholly owned subsidiaries MFX Infotech Private Limited ("MFX"), Greenpiece Landscape India Private Limited and Conneqt Business Solutions Limited together known as ("transferor companies"), from the appointed date of April 1, 2021. Consequently, the standalone financial statements for the year ended March 31, 2023 have been restated to give effect to the amalgamation.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the standalone financial statements of the current period. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the Basis for Qualified Opinion section of our audit report, we have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Revenue Recognition: The Company derives revenue primarily from staffing services in the operating segments comprising of Workforce management, Operating asset management and Global Technology Solutions. Revenue from staffing services is recognised over time as the customer simultaneously receives and consumes the benefits as the Company renders the services. The invoicing for these services is either based on cost plus a service fee or fixed fee model. The Company's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognized as unbilled revenues. Unbilled revenues are invoiced subsequent to the year-end based on customer acceptances. We considered recording of unbilled revenues relating to staffing services as a key audit matter as there is a significant judgement applied by the Company to ensure that revenue is recorded based on (1) contractual terms and (2) attendance estimated for the period from the last billing date to the year-end based on prior months attendance records. Refer Note 2.21 and 26 to the standalone financial statements.	Principal audit procedures performed: Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following: • Tested the effectiveness of controls relating to accuracy and occurrence of unbilled revenues. • For a sample of contracts, o tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred / resources deployed. o tested unbilled revenues with subsequent invoicing based on customer acceptances.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. These are expected to be made available to us after the date of the Auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the matter that was of most significance in the audit of the standalone financial statements of the current period and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

In accordance with the Scheme of Amalgamation referred to in Note 44 to the standalone financial statements, the comparative amounts presented have been restated to include the financial information of transferor companies which reflect total assets of ₹ 8,004.28 million as at March 31, 2023, total revenue of ₹ 14,415.88 million, total net profit after tax of ₹ 776.93 million and total comprehensive income of ₹ 800 million for the year ended March 31, 2023. The said financial information of the transferor companies have been audited by other auditors, whose reports have been furnished to us and have been relied upon by us. We have audited the adjustments made by the management consequent to the merger of the transferor Companies with the Company to arrive at restated amounts for the year ended March 31, 2023.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
    a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, except for (a) the possible effects of the matter described in the Basis for Qualified Opinion

section above, (b) not keeping backup on a daily basis of one application maintained in electronic mode in a server physically located in India (refer Note 49.3 to the standalone financial statements) and (c) not complying with the requirements of audit trail as stated in (i)(vi) below, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a qualified opinion on the operating effectiveness of internal financial controls with reference to standalone financial statements of the company, for the reasons stated therein.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 49.1 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 49.2 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividends declared and paid by the Company during the year and until the date of this report are in accordance with Section 123 of the Act.

As stated in note 48 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except for the instances mentioned below (Refer note 49.4 to the standalone financial statements):

- In respect of one accounting software, audit trail feature was not enabled at the table and database level to log any direct data changes.
- The Company has used two other accounting softwares, which is operated by a third-party software provider, for

maintaining the books of account in respect of financial reporting and payroll processes. In the absence of coverage of audit trail requirement in the System and Organisation Controls (SOC 1) Type 2 Report, we are unable to comment whether audit trail feature of the said softwares was enabled and operated throughout the year for all relevant transactions recorded in the softwares.

Additionally, during the course of our audit, except for the instances noted above wherein we are unable to comment on the feature of audit trail, we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 24110815BKFIDZ1506)
Place: Bengaluru
Date: May 09, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Quess Corp Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified opinion

According to the information and explanations given to us and based on our audit, a material weakness has been identified in the Company's internal financial controls over financial reporting as it relates to uncertainty over Income taxes as more fully described in the basis of qualified opinion of the standalone financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2024, and the material weakness affect our opinion on the said standalone Ind AS financial statements of the Company.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 24110815BKFIDZ1506)
Place: Bengaluru
Date: May 09, 2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Quess Corp Limited of even date)

To the best of our information and according to the explanations provided to us by the Company, and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, plant and equipment, Right-of-use assets and Other intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment, and relevant details of Right-of-use assets.

(B) The Company has maintained proper records showing full particulars of Other intangible assets.

(b) The Company has a program of verification of Property, plant and equipment, and Right-of-use assets so to cover all the assets in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment and Right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed provided to us, we report that, the title deed of the immovable property, (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in Property, plant and equipment is not held in the name of the Company as at the balance sheet date. The details are as below:

Description of Property	Description: Land and building located at ICC Devi Gaurav Tech Park, Building office No.301 and 302, Third Floor, Mumbai-Pune Highway, Pimpri, Plot No. 4854, B Wing, Pune, Maharashtra - 411018 Identification number: BP/Pimpri/Layout/46/2007 and BP/Pimpri/Layout/52/2009
Gross carrying value as at March 31, 2024	Land: ₹ 470 million Building: ₹ 354.40 million Total: ₹ 824.40 million
Held in name of	Conneqt Business Solutions Limited (Erstwhile wholly owned subsidiary of the Company)
Whether promoter, director or their relative or employee	No
Period held	Since November 01, 2012, the property is held by Conneqt Business Solutions Limited. Post merger, with effective date of December 1, 2023, and appointed date of April 1, 2021, the property is held by the Company.
Reason	The land and building is registered in the name of Conneqt Business Solutions Limited (erstwhile wholly owned subsidiary of the Company). Following the merger of Conneqt Business Solutions Limited with the Company, the registration process of transfer of name is in progress as on the balance sheet date. Refer to notes 3(a) and 44 of the standalone financial statements.

(d) The Company has not revalued any of its Property, plant and equipment (including Right-of-Use assets) and Other intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements (including revised statements submitted by the Company during the course of our audit) as specified in Note 21.4 of the standalone financial statements comprising book debt statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. The Company has made investments in, provided guarantees and granted unsecured loans to companies during the year, in respect of which, we report as under:

(a) The Company has provided loans and guarantee during the year, the details of which are given below:

Particulars	Loans (₹ Million)	Guarantees (₹ Million)
A. Aggregate amount granted/provided during the year:		
Subsidiaries	234.88	200.00
B. Balance outstanding as at balance sheet date in respect of above cases:		
Subsidiaries	560.18	2,797.56

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company where the schedule of payment of interest has been stipulated, the receipt of interest has been regular as per stipulations, except for the following.

Name of the entity	Period	Amount (Rs. Million)	Due Date	Extent of delay (In days)
Terrier Security Services (India) Private Limited	As at March 31, 2023*	24.06	Various Dates	More than 365 days
	Quarter ended June 30, 2023	6.69	30-Jun-23	276
	Quarter ended September 30, 2023	6.79	30-Sep-23	184
	Quarter ended December 31, 2023	6.75	31-Dec-23	92
	Quarter ended March 31, 2024	6.37	31-Mar-24	1
Billion Careers Private Limited	As at March 31, 2023*	4.45	Various Dates	More than 365 days
	Quarter ended June 30, 2023	2.43	30-Jun-23	276
	Quarter ended September 30, 2023	2.98	30-Sep-23	184
	Quarter ended December 31, 2023	3.12	31-Dec-23	92
	Quarter ended March 31, 2024	3.30	31-Mar-24	1
Stellarslog Technovation Private Limited	As at March 31, 2023*	2.30	Various Dates	More than 365 days
	Quarter ended June 30, 2023	1.58	30-Jun-23	276
	Quarter ended September 30, 2023	1.66	30-Sep-23	184
	Quarter ended December 31, 2023	0.97	31-Dec-23	92

*Interest added to principal outstanding during the current year.

In respect of loans which are repayable on demand, the Company has not demanded repayment of such loans during the year. Having regard to the fact that the repayment of principal has not been demanded by the Company, in our opinion the repayments of principal amounts are regular except where the Company has recorded an impairment of ₹ 274.19 million relating to loans considered irrecoverable during the year.

(d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the interest.

Name of the party	Interest overdue (Rs. million)
Terrier Security Services (India) Private Limited	44.29
Billion Careers Private Limited	12.98
Stellarslog Technovation Private Limited	6.51

(e) During the year, interest aggregating to ₹ 60.76 million fell due from certain parties which were extended during the year/ after the balance sheet date. The details of such loans are stated below:

Name of the party	Aggregate amount of interest receivable converted into loan (Rs. million)	Percentage of the aggregate to the total loans during the year
In respect of loans repayable on demand:		
Terrier Security Services (India) Private Limited	26.60	1.2%
Trimax Smart Infra Projects Private limited	15.01	0.7%
Qdigi Services Limited	3.12	0.1%
Billion Careers Private Limited	11.82	0.5%
Stellarslog Technovation Private Limited	4.21	0.2%
Total	60.76	

(f) The Company has granted loans which are repayable on demand, details of which are given below:

Particulars	All Parties	Related Parties
Aggregate of loans/advances in the nature of loans		
- Repayable on demand (Rs. Million)	560.18	560.18
Percentage of loans/advances in the nature of loans to total loans	100.00%	100.00%

The Company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of Statutory Dues:

(a) (i) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess, and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Provident Fund and Employees State Insurance dues.

(ii) Undisputed amounts payable in respect of Provident Fund and Employees' State Insurance in arrears as at March 31, 2024 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of the Dues	Amount (Rs. million)	Period to which amount relates	Due Date	Date of Payment	Remarks
Provident Fund Act, 1952	Provident Fund	6.07	Various dates within fiscal 2023-24	Respective due dates	Unpaid	Management explained that payments were not made as Universal Account Number was not created.
Employees State Insurance Act,1948	ESIC contribution	2.03	Various dates within fiscal 2023-24	Respective due dates	Unpaid	Management explained that payments were not made as employee's insurance policy was not created.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which the Amount Relates	Disputed amount (Rs. million)			Forum where dispute is pending
			Amounts involved (A)	Paid under protest (B)	Amount not deposited (A-B)	
Finance Act, 1994	Service Tax	FY 2007-08 to 2015-16	154.02	11.55	142.47	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		FY 2013-14 and 2014-15	3.91	0.29	3.62	
		FY 2009-10 to 2011-12	3.11	3.11	-	
		FY 2011-12 to 2016-17*	443.33	33.25	410.08	
Employees' Provident fund and miscellaneous Provisions Act, 1952	Provident Fund	FY 2018-19	716.56	-	716.56	Central Government Industrial Tribunal
		FY 2008-09 to 2012-13	42.89	10.72	32.17	Employees' Provident Fund Appellate Tribunal
		September 2015 to August 2022*	86.91	-	86.91	Regional Employee Provident Fund Organisation Commissioner, Pune-I
		14 April 2018 to 26 December 2022*	28.75	-	28.75	Employee Provident Fund Organisation Commissioner, Telangana
Goods and Service Tax Act, 2017	GST	FY 2017-18	12.13	0.55	11.58	Commissioner (Appeals)
		FY 2017-18	61.17	2.98	58.19	Additional Commissioner (Appeals)
		FY 2018-19, 2019-20 and 2020-21	37.13	3.38	33.75	Joint Commissioner (Appeals)
		April 2017 to June 2017*	3.23	0.32	2.91	Additional Commissioner (Appeals) - Hyderabad
		July 2017 to March 2018*	0.59	0.06	0.53	Deputy Commissioner (Appeals), Begumpet-STU 1
		July 2017 to March 2018*	0.28	0.03	0.25	Assistant Commissioner of State Tax (Appeals) -Guwahati
		July 2017 to March 2018*	0.30	0.03	0.27	Deputy Commissioner (Appeals), Begumpet-STU 1
		July 2017 to March 2018*	0.33	0.03	0.30	Deputy Commissioner (Appeals), Noida -Sector 9
		April 2018 to March 2019*	10.29	-	10.29	Assistant Commissioner, Directorate of West Bengal

Name of Statute	Nature of Dues	Period to which the Amount Relates	Disputed amount (Rs. million)			Forum where dispute is pending
			Amounts involved (A)	Paid under protest (B)	Amount not deposited (A-B)	
Income-tax Act, 1961	Income Tax	FY 2017-18	278.60	-	278.60	Income Tax Appellate Tribunal
		FY 2018-19	1,412.27	282.45	1,129.82	
		FY 2019-20*	59.17	-	59.17	Commissioner of Income tax (Appeals)
		FY 2020-21*	125.18	-	125.18	
		FY 2021-22*	70.32	-	70.32	
		FY 2021-22**	10.21	-	10.21	

FY represents financial year.

* Orders are received in the name of Conneqt Business Solutions Limited (the erstwhile wholly owned subsidiary of the Company), which are reported under clause vii(b) pursuant to the merger with the Company. Refer note 44 of the standalone financial statements.

** An order is received in the name of MFX Infotech Private Limited (the erstwhile wholly owned subsidiary of the Company), which is reported under clause vii(b) pursuant to the merger with the Company. Refer note 44 of the standalone financial statements.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture or associate companies.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) As represented to us by the Management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year till date, in determining nature, timing and extent of our audit procedures.

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. Considering the standalone financial statements of the Company as presented, and the matter of audit qualification as reported by us in Basis for Qualified Opinion section of our Audit Report, the effect of which, we have been unable to determine, we are unable to state if the Company has incurred cash losses during the financial year covered by our audit. There were no cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) The Company does not have 'other than ongoing projects' and hence reporting under clause 3(xx)(a) is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act for the current financial year and the previous financial year.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 24110815BKFIDZ1506)
Place: Bengaluru
Date: May 09, 2024

STANDALONE BALANCE SHEET

(Amount in ₹ millions)

Particulars	Note	As at 31 March 2024	As at 31 March 2023*
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	1,500.35	1,575.91
Right-of-use assets	3 (b)	3,394.96	3,367.62
Capital work-in-progress	3 (a)	0.45	0.69
Goodwill	4	3,427.45	3,437.78
Other intangible assets	4	586.49	857.42
Intangible assets under development	4	20.59	12.47
Financial assets			
Investments	5	10,243.19	10,101.81
Loans	6	560.18	670.07
Other financial assets	7	1,504.65	1,443.09
Deferred tax assets (net)	8	1,042.25	649.21
Income tax assets (net)	8	4,435.20	4,288.31
Other non-current assets	9	531.53	139.23
Total non-current assets		**27,247.29**	**26,543.61**
Current assets			
Inventories	10	63.22	72.50
Financial assets			
Trade receivables			
Billed	11	11,542.17	10,265.39
Unbilled	11	10,166.72	9,318.09
Cash and cash equivalents	12	2,823.04	1,771.26
Bank balances other than cash and cash equivalents above	13	179.12	455.80
Loans	14	3.33	371.83
Other financial assets	15	316.33	479.24
Other current assets	16	1,032.40	816.50
Total current assets		**26,126.33**	**23,550.61**
Total assets		**53,373.62**	**50,094.22**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,485.10	1,482.29
Other equity	18	25,404.59	22,478.32
Total equity		**26,889.69**	**23,960.61**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	17.58	9.98
Lease liabilities	3 (c)	2,631.68	2,644.96
Provisions	20	2,897.63	2,345.83
Total non-current liabilities		**5,546.89**	**5,000.77**
Current liabilities			
Financial liabilities			
Borrowings	21	3,062.64	4,677.91
Lease liabilities	3 (c)	1,109.09	1,019.43
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22	134.80	89.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	528.70	433.82
Other financial liabilities	23	11,561.93	10,090.35
Current tax liabilities (net)	8	19.89	516.77
Provisions	24	228.48	234.33
Other current liabilities	25	4,291.51	4,070.47
Total current liabilities		**20,937.04**	**21,132.84**
Total liabilities		**26,483.93**	**26,133.61**
Total equity and liabilities		**53,373.62**	**50,094.22**

*retrospectively restated to give effect to matter stated in note 44

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 09 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 09 May 2024

Place: Bengaluru
Date: 09 May 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount in ₹ millions, except per share data)

Particulars	Note	For the year ended	
		31 March 2024	31 March 2023*
Income			
Revenue from operations	26	1,55,711.84	1,36,379.33
Other income	27	1,611.69	780.86
Total income		**1,57,323.53**	**1,37,160.19**
Expenses			
Cost of material and stores and spare parts consumed	28	1,877.91	1,807.64
Employee benefits expense	29	1,39,014.18	1,20,386.62
Finance costs	30	911.04	880.63
Depreciation and amortisation expense	31	1,852.32	1,784.10
Other expenses	32	9,999.99	9,899.18
Total expenses		**1,53,655.44**	**1,34,758.17**
Profit before tax and exceptional items		**3,668.09**	**2,402.02**
Exceptional items	33	506.24	8.90
Profit before tax		**3,161.85**	**2,393.12**
Total tax credit/(expense)			
Current tax	8	(53.41)	(439.50)
Income tax relating to earlier years	8	-	56.87
Deferred tax	8	320.77	68.10
Total tax expense		**267.36**	**(314.53)**
Profit for the year		**3,429.21**	**2,078.59**
Other comprehensive (loss)/ income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (loss)/income on defined benefit plans	41	(284.90)	98.26
Income tax relating to items that will not be reclassified to profit or loss	8	72.21	(24.65)
Other comprehensive (loss)/ income for the year, net of income tax		**(212.69)**	**73.61**
Total comprehensive income for the year		**3,216.52**	**2,152.20**
Earnings per equity share (face value of ₹ 10.00 each)			
Basic (in INR)	39	23.11	14.03
Diluted (in INR)	39	22.97	13.93
Weighted average equity shares used in computing earnings per equity share			
Basic	39	14,83,88,879	14,81,12,507
Diluted	39	14,93,14,718	14,92,46,722

*retrospectively restated to give effect to matter stated in note 44

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

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

Anand Subramanian
Partner
Membership No.: 110815

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 09 May 2024

Place: Bengaluru
Date: 09 May 2024

Place: Bengaluru
Date: 09 May 2024

STANDALONE STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023*
Cash flows from operating activities		
Profit after tax	3,429.21	2,078.59
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax (credit)/expense	(267.36)	314.53
Interest on tax refunds	(78.34)	(1.04)
Interest on term deposits	(63.90)	(53.19)
Amortised cost adjustments for financial instruments	(11.49)	(13.97)
Profit / (loss) on sale of property, plant and equipment, net	2.11	(1.33)
Dividend income on investments in subsidiaries	(1,261.00)	(602.99)
Interest on loans given to related parties	(60.97)	(60.67)
Employee stock option cost	91.69	50.70
Finance costs	911.04	880.63
Depreciation and amortisation	1,852.32	1,784.10
Expected credit Loss on financial assets, net	776.09	577.12
Exceptional items loss (refer note 33)	-	8.90
- Impairment / (reversal) of impairment on investment, loan and advances of subsidiaries and other intangible assets (net)	741.88	-
- Gain on sale of subsidiary net of transaction cost of ₹ 27.95 million	(364.61)	-
Foreign exchange gain	(2.16)	(20.06)
Deposits written off	-	8.31
Bad debts written off	130.83	14.14
Operating profit before working capital changes	**5,825.34**	**4,963.77**
Changes in operating assets and liabilities		
Changes in inventories	9.28	(2.66)
Changes in trade receivables (billed and unbilled)	(3,050.03)	(2,998.17)
Changes in loans, other financial assets and other assets	(390.26)	(336.89)
Changes in trade payables	139.92	(124.17)
Changes in other financial liabilities, other liabilities and provisions	2,247.96	3,671.26
Cash generated from operations	**4,782.21**	**5,173.14**
Income taxes (paid) / refund received, net	(899.65)	(1,726.29)
Net cash flows from operating activities (A)	**3,882.56**	**3,446.85**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(416.48)	(565.79)
Proceeds from sale of property, plant and equipment and intangibles	48.10	16.12
Investment in subsidiaries and associates	(351.51)	(138.36)
Investment in compulsory convertible preference shares	(350.02)	-
Proceeds from redemption of debentures in subsidiaries	40.00	127.00
Investment in subsidiary (gross amount paid ₹ 1,708.20 million as reduced by amounts received as return of investment ₹ 1,492.53 million, refer note 5)	(215.88)	-

STANDALONE STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	**31 March 2023***
Proceeds from sale of investment in subsidiaries (net) (refer note 33.2)	670.61	647.22
Dividend received (net of tax deducted at source)	1,257.60	582.79
Placement of bank deposit	754.64	(141.15)
Redemption of bank deposit	(435.60)	186.75
Loans and advances given to related parties	(971.96)	(1,655.39)
Repayment of loans and advances by related parties	1,387.90	1,081.42
Interest received on loans to related parties	18.32	6.40
Interest received on term deposits	64.63	47.26
Net cash from investing activities (B)	**1,500.35**	**194.27**
Cash flows from financing activities		
Proceeds from working capital loan	75,167.55	35,720.89
Repayments of working capital loan	(76,151.83)	(36,419.63)
Proceeds / (repayments) from short term borrowings	(630.21)	511.07
Payment of term loan	6.83	-
Proceeds from term loan	-	(6.04)
Payment of stamp duty in relation to merger and consequent issue of shares in prior years	(125.16)	-
Shares issued on exercise of employee stock options	2.81	2.38
Repayment of lease liabilities	(1,478.58)	(1,316.54)
Interest paid	(530.36)	(542.51)
Dividend paid	(592.18)	(1,774.00)
Net cash used in financing activities (C)	**(4,331.13)**	**(3,824.38)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1,051.78**	**(183.26)**
Cash and cash equivalents at the beginning of the year	1,771.26	1,954.52
Cash and cash equivalents at the end of the year	**2,823.04**	**1,771.26**

Components of cash and cash equivalents

Particulars	For the year ended	
	31 March 2024	**31 March 2023**
Cash and cash equivalents		
Cash on hand	4.16	3.70
Balances with banks		
In current accounts	2,767.44	1,749.16
In EEFC accounts	38.21	9.00
In deposit accounts (with original maturity of less than 3 months)	13.23	9.40
Cash and cash equivalents as per standalone balance sheet	**2,823.04**	**1,771.26**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalents as per standalone statement of cash flows	**2,823.04**	**1,771.26**

STANDALONE STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2023	4,687.89
Interest accrued but not due as at 1 April 2023	3.19
Cash flows	(1,607.69)
Other changes	
- Other borrowing costs	9.67
- Transaction costs paid	-
- Interest expense	523.49
- Interest and other borrowing cost paid	(530.36)
Interest accrued but not due as at 31 March 2024	(5.97)
Debt as at 31 March 2024	**3,080.22**

(Amount in ₹ millions)

Particulars	Borrowings
Debt as at 1 April 2022	4,881.60
Interest accrued but not due as at 1 April 2022	13.24
Cash flows	(193.71)
Other changes	-
- Other borrowing costs	13.12
- Transaction costs paid	-
- Interest expense	519.34
- Interest and other borrowing cost paid	(542.51)
Interest accrued but not due as at 31 March 2023	(3.19)
Debt as at 31 March 2023	**4,687.89**

*retrospectively restated to give effect to matter stated in note 44

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 09 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 09 May 2024

Place: Bengaluru
Date: 09 May 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

(Amount in ₹ millions)

Particulars	Note	31 March 2024	31 March 2023
Opening balance	17.1	1,482.29	1,479.91
Changes in equity share capital	17.1	2.81	2.38
Closing balance	17.1	**1,485.10**	**1,482.29**

(B) Other equity

(Amount in ₹ millions)

Particulars	Note	Reserves and surplus							Items of other comprehensive income	Total equity attributable to equity holders of the Company
		Shares application money pending allotment	Capital reserve	Capital redemption reserve	Securities premium	Retained earnings	General reserve	Stock options outstanding account	Re-measurement of the net defined benefit liability/ asset	
Balance as at 1 April 2022		**-**	**1,241.28**	**-**	**16,985.03**	**2,231.38**	**21.56**	**348.70**	**(218.66)**	**20,609.29**
Effect of merger (refer note 44)		-	(884.18)	150.00	-	2,216.78	1.93	-	(41.25)	1,443.28
Total comprehensive income/ (loss) for the year ended 31 March 2022		**-**	**357.10**	**150.00**	**16,985.03**	**4,448.16**	**23.49**	**348.70**	**(259.91)**	**22,052.57**
Profit for the year		-	-	-	-	2,078.59	-	-	-	2,078.59
Other comprehensive loss (net of tax)		-	-	-	-	-	-	-	73.61	73.61
Total comprehensive income/ (loss)		**-**	**-**	**-**	**-**	**2,078.59**	**-**	**-**	**73.61**	**2,152.20**
Dividends	48	-	-	-	-	(1,777.15)	-	-	-	(1,777.15)
Share based payments	18.2	-	-	-	-	-	-	50.70	-	50.70
Total		**-**	**-**	**-**	**-**	**(1,777.15)**	**-**	**50.70**	**-**	**(1,726.45)**
Balance as at 31 March 2023		**-**	**357.10**	**150.00**	**16,985.03**	**4,749.60**	**23.49**	**399.40**	**(186.30)**	**22,478.32**

STANDALONE STATEMENT OF CHANGES IN EQUITY

Particulars	Note	Reserves and surplus							Items of other comprehensive income	Total equity attributable to equity holders of the Company
		Shares application money pending allotment	Capital reserve	Capital redemption reserve	Securities premium	Retained earnings	General reserve	Stock options outstanding account	Re-measurement of the net defined benefit liability/ asset	
Balance as at 1 April 2023		**-**	**357.10**	**150.00**	**16,985.03**	**4,749.60**	**23.49**	**399.40**	**(186.30)**	**22,478.32**
Profit for the year		-	-		-	3,429.21	-	-	-	3,429.21
Other comprehensive income (net of tax)		-	-		-	-	-	-	(212.69)	(212.69)
Total comprehensive income		**-**	**-**	**-**	**-**	**3,429.21**	**-**	**-**	**(212.69)**	**3,216.52**
Issue of shares pending allotment on exercise of options		0.12	-	-	-	-	-	-	-	0.12
Reversal of issue cost on demerger	18.1	-	-	-	211.85	-	-	-		211.85
Dividends	48	-	-	-	-	(593.91)	-	-	-	(593.91)
Share based payments	18.2	-	-	-	-	-	-	91.69	-	91.69
Total		**0.12**	**-**	**-**	**211.85**	**(593.91)**	**-**	**91.69**	**-**	**(290.25)**
Balance as at 31 March 2024		**0.12**	**357.10**	**150.00**	**17,196.88**	**7,584.90**	**23.49**	**491.09**	**(398.99)**	**25,404.59**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 09 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 09 May 2024

Place: Bengaluru
Date: 09 May 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

1) Company overview

Quess Corp Limited ('the Company') is a public limited company incorporated and domiciled in India. The shares of the company are listed in the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located in Bengaluru, Karnataka, India. The Company is engaged in the business of providing services in Workforce management, Operating asset management Global Technology solution and Product led business.

The standalone financial statements are approved by the board of directors and authorised for issue in accordance with a resolution of the directors on 09 May 2024.

2) Basis of preparation

1.1. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The standalone financial statements have been prepared on the historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments),

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and

iii. Expenses relating to share based payments are measured at fair value on the date of grant.

iv. Contingent consideration in business combinations are measured at fair value.

v. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The material accounting policy information related to preparation of the standalone financial statements have been discussed below.

Going concern:

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the standalone financial statements.

2.3 Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. The following are the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements:

i) Impairment of non-financial assets

Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, long-term growth rates and discount rates which are subject to significant judgement. (Refer note 4)

ii) Impairment of financial assets:

The Company recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer note 35(i))

iii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 41)

iv) Property, plant and equipment and intangible assets:

The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer note 3(a) and 4)

v) Income taxes:

Significant judgments are involved in determining provision for income taxes, including (a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions.

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer note 8)

2.4 Current and non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for the business activities of the Company covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business, the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

2.5 Business combinations

(i) Business combinations (common control business combinations):

Business combination involving entities that are controlled by the company are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the standalone financial statements of the transferor is aggregated with the corresponding balance appearing in the standalone financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserve are preserved and the reserves of the transferor becomes the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(ii) Business combinations (other than common control business combinations):

In accordance with Ind AS 103, the Company accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent consideration:

Ind AS 103 requires contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. This valuation is conducted by external valuation expert.

2.6 Foreign currency transactions and balances

The standalone financial statements are presented in Indian Rupees ("INR") which is also the Company's functional currency and all amounts have been rounded off to the nearest millions.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective;
- and qualifying cash flow hedges to the extent that the hedges are effective.

2.7 Property, plant and equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Building	60 years
Furniture and fixtures	5 years
Vehicles	3-5 years
Office equipment	5 years
Plant and machinery	3 - 8 years
Computer equipment	3-5 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.8 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.9 Goodwill

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

2.10 Intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Separately acquired Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Others

Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life
Brand	15 years
Computer software	3 years
Copyright and trademarks	3 years
Customer contracts	3 years
Customer relationships	9 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.11 Impairment of non-financial assets

Tangible and Intangible Assets (excluding Goodwill)

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset or the cash generating unit to which the intangible asset is allocated may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. If events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Investments in subsidiaries and associates

Investment in equity instruments issued by subsidiaries and associates are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries and associates are measured at acquisition date fair value.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Investment in debentures of the subsidiaries and associate are treated as equity instruments if they meet the definition of equity as per Ind AS 32 and are measured at cost. Investment in debentures not meeting the aforesaid conditions are classified as debt instruments and are accounted for under Ind AS 109.

2.13 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

Cost of material and stores and spare parts consumed includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.15 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.16 Share-based payments

Equity instruments granted to the employees of the Company are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vnoesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

2.17 Earnings per share

Basic earnings per share is computed by dividing the net profit/ (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.18 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are recognised initially at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;

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- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL).

1. A financial asset is measured at amortised cost if both the following conditions are met:
   - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
2. A debt investment is measured at FVTOCI if both of the following conditions are met:
   - the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
3. On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.
4. All financial assets not classified as amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.
Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVTOCI recognised	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

(ii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables (billed and unbilled) based on expected lifetime credit losses at each reporting date after initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and contract assets. Depending on the diversity of its customer base, the company has considered to group its customers into two types: government customers and non-government customers.

The provision matrix for non-government customers is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The provision matrix for government customers is primarily based on the time-based movement within the life cycle of customer receivable further adjusted for forward-looking estimates

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Company:

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognised at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amortisation.

(iii) Derecognition

A financial liability is derecognised when the Company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.20 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

In determining the fair value of an asset or a liability, the Company uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realised.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.21 Revenue recognition

The Company derives revenue primarily from staffing

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services in the segments of Workforce management, Operating asset management and Global Technology solution. Further, it also provides training and skill development services under the workforce management.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from staffing services in the segments of Workforce management, Operating asset management and Global Technology solution is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee or fixed fee model.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

Other income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.22 Employee benefits

a) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an external actuary at each balance sheet date using projected unit credit method.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

c) Defined contribution plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's gratuity fund is managed by Life Insurance Corporation of India (LIC) and State Bank of India (SBI), ICICI Prudential, HDFC, Kotak Mahinndra Bank, Yes Bank The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an external actuary using the Projected Unit Credit Method. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.23 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.24 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items is disclosed separately as Exceptional items.

2.25 Restructuring Expenses

Restructuring expenses is recognised when the Company develops a detailed formal plan for the restructuring and has raised valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity

2.26 Write offs

The Company writes off a financial asset when there is information indicating that the trade receivables (billed and unbilled) is in severe financial difficulty and there is no realistic prospect of recovery, for example when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.27 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be used. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.28 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

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for the year ended 31 March 2024

2.29 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.30 Segment reporting

In accordance with Ind AS 108, Operating segments, segment information has been disclosed in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

3 Property, plant and equipment

(Amount in ₹ millions)

Particulars	Land	Building	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Lease hold improvements	Computer equipment	Total property, plant and equipment	Total Capital work-in-progress
Gross carrying amount as at 1 April 2022	**-**	**-**	**486.69**	**107.89**	**226.10**	**8.61**	**53.18**	**410.01**	**1,292.48**	**-**
Additions through business combination (refer note 44)	470.00	354.40	5.34	97.38	155.06	69.90	44.82	1,173.11	2,370.01	-
Additions	-	-	34.63	29.19	37.99	9.55	135.70	229.25	476.31	0.69
Disposals	-	-	(3.15)	(7.22)	(33.43)	(18.80)	(1.36)	(116.76)	(180.72)	-
Balance as at 31 March 2023	**470.00**	**354.40**	**523.51**	**227.24**	**385.72**	**69.26**	**232.34**	**1,695.61**	**3,958.08**	**0.69**
Additions	-	-	52.99	9.08	73.10	24.23	8.87	178.24	346.51	-
Disposals	-	-	(134.88)	(100.63)	(138.58)	(22.00)	(26.26)	(226.34)	(648.69)	(0.24)
Balance as at 31 March 2024	**470.00**	**354.40**	**441.62**	**135.69**	**320.24**	**71.49**	**214.95**	**1,647.51**	**3,655.90**	**0.45**
Accumulated depreciation as at 1 April 2022	**-**	**-**	**380.59**	**84.50**	**181.20**	**8.59**	**49.89**	**312.44**	**1,017.21**	**-**
Additions through business combination (refer note 44)	-	36.41	4.42	71.68	118.26	45.74	35.73	849.80	1,162.04	-
Depreciation for the year	-	5.96	48.15	31.71	40.69	9.51	13.23	217.41	366.66	-
Disposals	-	-	(3.16)	(3.97)	(25.56)	(13.63)	(1.17)	(116.25)	(163.74)	-
Balance as at 31 March 2023	**-**	**42.37**	**430.00**	**183.92**	**314.59**	**50.21**	**97.68**	**1,263.40**	**2,382.17**	**-**
Depreciation for the year	-	5.96	41.49	16.22	29.79	8.98	48.58	221.37	372.39	-
Disposals	-	-	(97.78)	(96.74)	(132.54)	(19.85)	(26.25)	(225.85)	(599.01)	-
Balance as at 31 March 2024	**-**	**48.33**	**373.71**	**103.40**	**211.84**	**39.34**	**120.01**	**1,258.92**	**2,155.55**	**-**
Net carrying amount										
As at 31 March 2024	**470.00**	**306.07**	**67.91**	**32.29**	**108.40**	**32.15**	**94.94**	**388.59**	**1,500.35**	**0.45**
As at 31 March 2023	**470.00**	**312.03**	**93.51**	**43.32**	**71.13**	**19.05**	**134.66**	**432.21**	**1,575.91**	**0.69**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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The tittle of the land and building is in the name of Conneqt Business Solutions Limited. As stated in note 44, Post merger the Company is in the process of transferring the title to Quess Corp Limited. Where the Company is lessee, the lease agreements are duly executed in favour of the lessee.

Description of Property	Description: Land and building located at ICC Devi Gaurav Tech Park, Building office No.301 and 302, Third Floor, Mumbai-Pune Highway, Pimpri, Plot No. 4854, B Wing, Pune, Maharashtra - 411018 Identification number: BP/Pimpri/Layout/46/2007 and BP/Pimpri/Layout/52/2009
Gross carrying value as at March 31, 2024	Land: ₹ 470 million Building: ₹ 354.40 million Total: ₹ 824.40 million
Held in name of	Conneqt Business Solutions Limited (Erstwhile wholly owned subsidiary of the Company)
Whether promoter, director or their relative or employee	No
Period held	Since November 01, 2012, the property is held by Conneqt Business Solutions Limited. Post merger, with effective date of December 1, 2023, and appointed date of April 1, 2021, the property is held by the Company.
Reason	The land and building is registered in the name of Conneqt Business Solutions Limited (erstwhile wholly owned subsidiary of the Company). Following the merger of Conneqt Business Solutions Limited with the Company, the registration process of transfer of name is in progress as on the balance sheet date. Refer to note 44.

Capital work-in-progress ageing schedule for the year ended March 31, 2024 is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at 31 March 2024	-	0.45	-	-	0.45
As at 31 March 2023	0.69	-	-	-	0.69

Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

3 (b) Right-of-use assets

(Amount in ₹ millions)

Particulars	Buildings	Equipments	Total
Balance as at 1 April 2023	2,998.04	369.58	3,367.62
Additions	1,223.03	8.57	1,231.60
Disposals	(8.28)	(4.62)	(12.90)
Depreciation for the year	(974.65)	(216.71)	(1,191.36)
Balance as at 31 March 2024	**3,238.14**	**156.82**	**3,394.96**

(Amount in ₹ millions)

Particulars	Buildings	Equipments	Total
Balance as at 1 April 2022	401.83	-	401.83
Additions through business combination (refer note 44)	1,361.24	244.34	1,605.58
Additions	2,199.84	345.26	2,545.10
Disposals	(76.11)	-	(76.11)
Depreciation for the year	(888.76)	(220.02)	(1,108.78)
Balance as at 31 March 2023	**2,998.04**	**369.58**	**3,367.62**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

3 (c) Lease liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	2,631.68	2,644.96
Current lease liabilities	1,109.09	1,019.43
	3,740.77	**3,664.39**

The following is the movement in lease liabilities:

(Amount in ₹ millions)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance as at the beginning of the year	**3,664.39**	**468.35**
Add: Additions through business combination (refer note 44)	-	1,742.57
Add: Additions	1,192.23	2,200.09
Add: Impact of reassessment of lease liabilities during the year	-	310.01
Less: Deletions	(15.15)	(88.26)
Add: Finance cost accrued during the period	377.88	348.17
Less: Repayment of lease liabilities	(1,478.58)	(1,316.54)
Balance as at the end of the year	**3,740.77**	**3,664.39**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 and 31 March 2023 on an undiscounted basis:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Less than one year	1,414.68	1,322.33
One to five years	2,841.86	2,725.35
More than five years	793.12	446.39
Total	**5,049.66**	**4,494.07**

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for the year ended 31 March 2024

4 Goodwill, other intangible assets and intangible assets under development

(Amount in ₹ millions)

Particulars	Goodwill (refer note 4.1)	Other intangible assets						Intangible assets under development (refer note 4.2)
		Computer software	Brand	Copyright and trademarks	Customer relationships	Customer contracts	Total other intangibles assets	
Gross carrying amount as at 1 April 2022	**5,565.56**	**455.09**	**894.60**	**0.48**	**1,030.00**	**23.54**	**2,403.71**	**13.91**
Additions through business combination (refer note 44)	660.53	166.25	-	-	279.84	-	446.09	(0.01)
Additions	-	7.16	-	-	-	-	7.16	4.53
Capitalised during the year	-	5.96	-	-	-	-	5.96	(5.96)
Balance as at 31 March 2023	**6,226.09**	**634.46**	**894.60**	**0.48**	**1,309.84**	**23.54**	**2,862.92**	**12.47**
Additions	-	15.02	-	-	-	-	15.02	20.59
Disposals	-	(16.93)	-	-	-	-	(16.93)	-
Capitalised during the year	-	3.15	-	-	-	-	3.15	(3.15)
Impaired during the year (refer note 33)	(10.33)	-	-	-	-	-	-	(9.32)
Balance as at 31 March 2024	**6,215.76**	**635.70**	**894.60**	**0.48**	**1,309.84**	**23.54**	**2,864.16**	**20.59**
Accumulated amortisation and impairment as at 1 April 2022	**2,788.31**	**373.67**	**451.71**	**0.48**	**609.53**	**23.54**	**1,458.93**	
Additions through business combination (refer note 44)	-	161.50	(0.01)	-	76.44	-	237.93	-
Amortisation for the year	-	53.34	64.55	-	190.75	-	308.64	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	**2,788.31**	**588.51**	**516.25**	**0.48**	**876.72**	**23.54**	**2,005.50**	**-**
Amortisation for the year	-	33.34	64.55	-	190.68	-	288.57	-
Disposals	-	(16.40)	-	-	-	-	(16.40)	-
Accumulated amortisation and impairment as at 31 March 2024	**2,788.31**	**605.45**	**580.80**	**0.48**	**1,067.40**	**23.54**	**2,277.67**	**-**
Net carrying amount								
As at 31 March 2024	**3,427.45**	**30.25**	**313.80**	**-**	**242.44**	**-**	**586.49**	**20.59**
As at 31 March 2023	**3,437.78**	**45.95**	**378.35**	**-**	**433.12**	**-**	**857.42**	**12.47**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

4.1 Testing for impairment of goodwill:

The Company tests goodwill for impairment annually on 31 December or more frequently based on an impairment indicator. Impairment is determined by assessing the recoverable amount of cash generating unit ("CGU") (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. The recoverable amount is determined based on higher of value-in-use and fair value less cost of sale of CGU. Value-in-use is calculated using a discounted cash flow approach.

As at 31 March 2024, the Company has ₹ 3,427.45 million (31 March 2023: ₹ 3,437.78 million) of goodwill is mainly allocated to the Company's Integrated facility management (IFM) CGU and Conneqt CGU. The recoverable value was determined based on value in use.

The allocation of goodwill to the operating segments is as follows:

IFM CGU	As at 31 March 2024	As at 31 March 2023
Operating asset management	2,767.40	2,777.73
Global technology solutions	660.05	660.05
	3427.45	**3437.78**

As at 31 March 2024, the estimated recoverable value of the IFM and Conneqt CGUs exceeded its carrying amount and hence impairment is not triggered. The carrying amount of the CGU was computed by allocating the net assets to CGUs for the purpose of impairment testing.

The discount rate used in the discounted cash flow approach is the risk adjusted weighted average cost of capital applicable to respective CGUs. The cash flow projections used for assessing the 'value in use' are based on the most recent long-term forecast approved by management. The long-term forecast includes management's latest estimate on Revenues and Operating cash flows. The period of projections is for five years and based on financial budgets/ forecasts which considers historical experience adjusted for uncertainties applicable for respective CGUs. The cash flows beyond the forecast period are extrapolated using appropriate long term terminal growth rates. The long term terminal growth rates used do not exceed the long-term average growth rates of the respective industry and country in which the CGU operates and are consistent with internal/external sources of information.

The cash flows related to revenue and operating margins have been estimated based on historical trends and future market expectations specific to the CGU. The growth in revenue estimations used in the impairment testing for the year ended 31 March 2024 was in the range of 15.00% to 25.00% (31 March 2023: 15.00% to 20.00%). The operating margin estimations used in the impairment testing for the year ended 31 March 2024 are in the range of 5.31% to 16.56% (31 March 2023: 6.26% to 14.20%).

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st March, 2024:

Particulars	Pre-tax discount rate	Terminal growth rate
Integrated Facility Management (IFM)	23.61%	4.00%
Conneqt	26.93%	4.00%

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st March, 2023:

Particulars	Pre-tax discount rate	Terminal growth rate
Integrated Facility Management (IFM)	21.64%	4.00%
Conneqt	27.56%	4.00%

Sensitivity to changes in assumptions:

Any reasonable possible change in the key assumptions will not result into an impairment for these significant CGUs specified above.

4.2 Intangible assets under development ageing schedule: (Amount in ₹ millions)

Particulars	Amount in intangible assets under development for the period of:				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
As at 31 March 2024	20.59	-	-	-	20.59
As at 31 March 2023	13.91	-	-	-	13.91

(i) Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

(ii) The Company does not have any projects which are temporarily suspended.

(iii) The Company does not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

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5. Non-current investments

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
86,000 (31 March 2023: 86,000) fully paid up equity shares of par value of 100.00 pesos each of Quess (Philippines) Corp.	12.27	12.27
7,000,100 (31 March 2023: 7,000,100) Common Shares of Brainhunter Systems Limited, fully paid up*	17.51	17.51
1 (31 March 2023: 1) Common Stock of Quess Corp (USA) Inc. of USD 100,000 each, fully paid-up	361.07	361.07
45,269,608 (31 March 2023: 45,269,608) ordinary shares of Quesscorp Holdings Pte. Ltd of SGD 1.00 each, fully paid-up*	2,267.11	2,267.11
11,182,912 (31 March 2023: 11,182,912) equity shares of ₹ 10 each fully paid-up of Allsec Technologies Limited (refer note 44)	3,299.61	3,299.61
10,000 (31 March 2023: 10,000) fully paid up equity shares of par value of ₹ 10.00 each of Excelus Learning Solutions Private Limited* (refer note 5.1)#	-	1.85
Less: Impairment in value of investments of Excelus Learning Solutions Private Limited** (refer note 5.1)	-	(1.85)
	-	-
176,601 (31 March 2023: 168,377) fully paid up equity shares of par value of ₹ 10.00 each of Vedang Cellular Services Private Limited* (refer note 5.1)	551.62	491.10
Less: Impairment in value of investments of Vedang Cellular Services Private Limited	(297.41)	(297.41)
	254.21	193.69
1,000,000 (31 March 2023: 1,000,000) fully paid up equity shares of par value of ₹ 10.00 each of Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)*"	778.57	778.57
Less: Impairment in value of investments of Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)** (refer note 5.1 and 33)	(535.71)	(385.71)
	242.86	392.86
60,318 (31 March 2023: 60,318) fully paid up equity shares of par value of ₹ 10.00 each of Monster.com (India) Private Limited	1,629.39	1,629.39
Nil (31 March 2023: 5,349,644) fully paid up equity shares of par value of ₹ 10.00 each of Qdigi Services Limited*****	-	352.00
42,000 (31 March 2023: 42,000) fully paid up equity shares of par value of Taka 10.00 each of Quess Services Limited (refer note 5.1)	3.49	3.49
Less: Impairment in value of investments in Quess Services Limited** (refer note 5.1 and 33)	(3.49)	-
	-	3.49
10,000 (31 March 2023: 10,000) fully paid up equity shares of par value of ₹ 10.00 each of Trimax Smart Infraprojects Private Limited	130.05	130.05
Less: Impairment in value of investments of Trimax Smart Infraprojects Private Limited** (refer note 5.1)	(130.05)	(130.05)
	-	-

Particulars	As at 31 March 2024	As at 31 March 2023
370,000 (31 March 2023: 370,000) fully paid up equity shares of par value of ₹ 10.00 each of Terrier Security Services (India) Private Limited*	1,367.20	1,367.20
Less: Impairment in value of investments of Terrier Security Services (India) Private Limited (refer note 5.1)	(190.00)	(190.00)
	1,177.20	1,177.20
6,010,000 (31 March 2023: 6,010,000) fully paid up equity shares of par value of ₹ 10.00 each of Billion Careers Private Limited (refer note 5.1)	60.10	60.10
Less: Impairment in value of investments of Billion Careers Private Limited (refer note 5.1)	(60.10)	(60.10)
	-	-
674.22 (31 March 2023: Nil) fully paid up equity shares of SGD 40,038.59 each of MFXchange Holdings Inc.*****	1,710.21	4.95
Less: Return of capital from Quess Holdings Pte. Ltd.	(1,492.35)	-
	217.86	4.95
36,023 (31 March 2023: 21,856) fully paid up equity shares of par value of ₹ 10.00 each of Heptagon Technologies Private Limited (refer note 5.1)	257.70	242.70
Less: Impairment in value of investments of Heptagon Technologies Private Limited** (refer note 5.1 and 33)	(257.70)	(112.70)
	-	130.00
1,035,000 (31 March 2023: 1,035,000) fully paid up equity shares of par value of ₹ 10.00 each of Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)#	-	100.35
Less: Impairment in value of investments of Quess East Bengal FC Private Limited	-	(100.35)
	-	-
38,33,944 (31 March 2023: 192,156) fully paid up equity shares of par value of ₹ 10.00 each of Stellarslog Technovation Private Limited	210.36	138.36
Less: Impairment in value of investments of Stellarslog Technovation Private Limited** (refer note 5.1 and 33)	(171.44)	-
	38.92	138.36
Investment in Quess Corp Vietnam Limited Liability Company (refer note 5.1)	13.06	13.06
Less: Impairment in value of investments of Quess Corp Vietnam Limited Liability Company (refer note 5.1)	(13.06)	(13.06)
	-	-
10,000 (31 March 2023: Nil) fully paid up equity shares of par value of ₹ 10.00 each of Digitide Solutions Limited (refer note 5.1)	0.10	-
10,000 (31 March 2023: Nil) fully paid up equity shares of par value of ₹ 10.00 each of Bluspring Enterprises Limited (refer note 5.1)	0.10	-

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for the year ended 31 March 2024

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted		
Investment carried at cost		
Investment in convertible debentures of subsidiaries		
4,025 (31 March 2023: 4,025) fully paid up compulsorily convertible debentures of par value of ₹ 100,000 each of Excelus Learning Solutions Private Limited (refer note 5.1)#	-	402.50
Less: Impairment in value of investments of Excelus Learning Solutions Private Limited	-	(402.50)
	-	-
91,300 (31 March 2023: 104,000) fully paid up optionally convertible debentures of par value of ₹ 10,000 each of Trimax Smart Infraprojects Private Limited (refer note 5.1)	873.00	913.00
Less: Impairment in value of investments of Trimax Smart Infraprojects Private Limited** (refer note 5.1 and 33)	(873.00)	(890.70)
	-	22.30
Investment carried at fair value through profit and loss		
Investment in convertible debentures of subsidiary		
4,687 (31 March 2023: 1,250) fully paid up compulsorily convertible debentures of par value of ₹ 80,000 each of Monster.com (India) Private Limited	374.96	100.00
Investment carried at fair value through other comprehensive income		
Investment in compulsory convertible preference share		
56,500 (31 March 2023: Nil) fully paid up compulsorily convertible preference shares of ₹ 6,195 each of Onsite Electro Services Private Limited ******	350.02	-
Total non-current investments	**10,243.19**	**10,101.81**
Aggregate value of unquoted investments	12,775.15	12,686.24
Aggregate amount of impairment in value of investments	(2531.96)	(2,584.43)

* Investments includes day one fair value recognition for corporate guarantee given to subsidiaries amounting to ₹ 63.21 million (31 March 2023: ₹ 66.18 million).

** This impairment in value of investment is treated as an exceptional item in the context of paragraph 9.6 of the guidance note on Schedule III to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India ("ICAI").

Movement of impairment loss allowance on investments

Particulars	For the year ended	
	31 March 2024	31 March 2023
Opening Balance	(2,584.43)	(2,082.19)
Add: Impairment loss recognised during the year	(469.93)	(502.24)
Less: Written off during the year#	504.70	-
Less: Reversal of impairment allowance during the year	17.70	-
Closing Balance	**(2,531.96)**	**(2,584.43)**

#During the current year, the Company has written off its investments in Excelus Learning Solutions Private Limited and Quess East Bengal FC Private Limited which was fully impaired in the prior years.

5.1 Details of non-current investments made and sold and impaired during the current year:

Investment in equity instruments

(Amount in ₹ millions except number of shares data)

Particulars	Number of shares acquired/ (sold)	As at 1 April 2023 (net of impairment)	Invested during the year	Loan converted to equity during the year	Sold during the year	Impairment recognised during the year	Other adjustments	As at 31 March 2024 (net of impairment)
Subsidiaries								
Stellarslog Technovation Private Limited***	36,00,000	138.36	4.00	68.00	-	(171.44)	-	38.92
Heptagon Technologies Private Limited****	14,166	130.00	15.00	-	-	(145.00)	-	-
MFXchange Holdings Inc.*****	674	4.95	1,708.23	-	-	-	(1,495.32)	217.86
Qdigi Services Limited ******	(53,49,644)	352.00	-	-	(352.00)	-	-	-
Quess services limited *******		3.49	-	-	-	(3.49)	-	-
Vedang Cellular Services Private Limited ********	8,224	491.10	60.52	-	-	-	-	551.62
Quess International Services Private Limited *********	10,00,000	392.86	-	-	-	(150.00)	-	242.86
Digitide Solutions Limited (refer note 33.4)	10,000	-	0.10	-	-	-	-	0.10
Bluspring Enterprises Limited (refer note 33.4)	10,000	-	0.10	-	-	-	-	0.10
Total		**1,512.76**	**1,787.95**	**68.00**	**(352.00)**	**(469.93)**	**(1,495.32)**	**1,051.46**

*** During the year ended 31 March 2024, the Company acquired additional 46% stake in Stellarslog Technovation Private Limited (STPL) for purchase consideration of ₹ 72 million out of which ₹ 68 million of loan was converted into equity and ₹ 4 million was paid in cash. Consequent to additional 46% acquisition, STPL has become wholly owned subsidiary of the Company.

Also during the year, the Company assessed the recoverable value of investment in STPL and recognised an impairment loss on investment aggregating to ₹ 171.44 million and disclosed under exceptional item.

**** During the year ended 31 March 2024, the Company acquired additional 39.33% stake in Heptagon Technologies Private Limited ("Heptagon") for purchase consideration of ₹ 15 million. Also pursuant to internal restructuring, business contracts and employees of Heptagon, are being novated/transferred to the Company and other subsidiaries of the Group. Therefore, the Company recorded an impairment relating to Heptagon aggregating to ₹ 145.00 million during the year disclosed under exceptional item.

***** As at September 30, 2023, Quess Corp Holdings Pte. Ltd. (QHPL) held 55.68% in MFXchange Holdings Inc (MFX) and 44.32% was held by Quess Corp (USA) Inc. QHPL and Quess Corp (USA) Inc. are wholly owned subsidiaries of Quess ('the Company').

As part of group restructuring, on 28 December 2023, Quess purchased equity shares of 55.68% relating to MFX from QHPL for ₹ 1,708.05 million (SGD 26.99 million) based on a fair valuation of MFX equity shares carried out by a SEBI registered merchant banker. The cost of the investment of MFX in the books of QHPL on the date of transaction was ₹ 215.70 million, resulting in a surplus of ₹ 1,492.35 million in QHPL. Out of this surplus, an amount of ₹ 1,317.12 million (SGD 21 million) was distributed as a dividend by QHPL on 29 December 2023 and ₹ 175.23 million (SGD 27.08 million) on 2 January 2024 respectively.

Under Ind AS, applying the guidance under Appendix C to Ind AS 103 and the framework relating to Ind AS, the investment made in MFX by Quess and the receipt of dividend from QHPL were considered to be linked transactions to achieve contemporaneously the objective of restructuring and therefore transferring the investment in MFX to Quess. Therefore, such dividend is considered to be a return of capital and adjusted against the purchase price of the investment in MFX.

Hence, the carrying value of investment in MFX is recorded at ₹ 215.70 Crore (INR 1,708.05 million less ₹ 1,492.35 million). Amounts received in excess of ₹ 1,492.35 is recorded as dividend income from QHPL. The total dividend received from QHPL during the year is ₹ 891.56 million (March 31, 2023: ₹ 379.33 million) (refer note 40)

****** During the year ended 31 March 2024, the Company sold its equity stake in Qdigi Services Limited (Qdigi) to Onsite Electro Services Limited (Onsite) for a consideration of ₹ 744.55 million resulting in a gain of ₹ 364.61 million which is disclosed as an exceptional item. The gain is net of transaction cost of ₹ 27.95 million. Out of the cash consideration, ₹ 46 million will be received after completion of closing conditions.

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for the year ended 31 March 2024

The Company has also contemporaneously invested ₹ 350.02 million for subscription of 56,500 compulsorily convertible preference shares of Onsite pursuant to Share Purchase and Investment Agreement.

******* During the year ended 31 March 2024, Quess Services Limited has gone into liquidation on 20 March 2024, the company has recognised an impairment on investment amounting to ₹ 3.94 million and disclosed as exceptional item.

******* During the year ended 31 March 2024, Quess Services Limited has gone into liquidation on 20 March 2024, the company has recognised net impairment of ₹ 3.94 million on investment and disclosed as exceptional item.

******** During the year ended 31 March 2024, non-controlling shareholder of Vedang Cellular Services Private Limited ("VCSP"), a subsidiary of the Company, exercised the put option to sell 4.5% stake to the Company resulting in a payout of ₹ 60.5 million. Consequently, shareholding in VCSP has increased to 97%.

********* During the year ended 31 March 2024, the Company assessed the recoverable value of investment in Quess International Services Private Limited and recognised an impairment loss on investment aggregating to ₹ 150.00 million and disclosed under exceptional item.

Investment in convertible debentures (Amount in ₹ millions except number of shares data)

Particulars	Number of debentures acquired/ (redeemed)	As at 1 April 2023 (net of impairment)	Issued during the year	Redeemed during the year	Impairment reversal during the year	Other adjustments	As at 31 March 2024 (net of impairment)
Subsidiaries							
Trimax Smart Infraprojects Private Limited*	-	22.30	-	(40.00)	17.70	-	-
Monster.com (India) Private Limited**	3,437	100.00	274.96	-	-	-	374.96
Total		**122.30**	**274.96**	**(40.00)**	**17.70**	**-**	**374.96**

* During the year ended 31 March 2024, the Company redeemed Compulsorily Convertible Debentures ("CCDs") amounting to ₹ 40 million and reversed impairment booked earlier amounting to ₹ 17.70 million.

** During the previous year ended 31 March 2023, the Company invested in 1,250 Compulsorily Convertible Debentures ("CCDs") of Monster.com (India) Private Limited having a value of ₹ 80,000 per debenture amounting to ₹ 100 million . The Company also invested a further amount of ₹ 274.96 million in 3,437 equity shares during the year as per the agreement entered into by the Company with Monster.com (India) Private Limited.

Details of non-current investments purchased and sold during the previous year:

Investment in equity instruments (Amount in ₹ millions except number of shares data)

Particulars	Number of shares acquired	As at 1 April 2022 (net of impairment)	Invested during the year	Loan converted to equity during the year	Sold during the year	Impairment (recognised) / reversed during the year	Other adjustments	As at 31 March 2023
Subsidiaries								
Simpliance Technologies Private Limited*	(12,405)	45.00	-	-	(45.00)	-	-	-
Quesscorp Holdings Pte. Ltd****	-	2,268.67	-	-	-	-	(1.56)	2,267.11
Stellarslog Technovation Private Limited**	41,787	100.00	38.36	-	-	-	-	138.36
Excelus Learning Solutions Private Limited***	-	1.85	-	-	-	(1.85)	-	-
MFXchange Holdings Inc.****	-	10.89	-	-	-	-	(5.94)	4.95
Billion Careers Private Limited***	-	60.10	-	-	-	(60.10)	-	-
Quess Corp Vietnam LLC***	-	13.06	-	-	-	(13.06)	-	-
Terrier Security Services (India) Private Limited***	-	1,367.20	-	-	-	(190.00)	-	1,177.20
Total		**3,866.77**	**38.36**	**-**	**(45.00)**	**(265.01)**	**(7.50)**	**3,587.62**

* During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of ₹ 45 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to ₹ 602.22 million is disclosed as exceptional item during the year ended 31 March 2023.

** During the year ended 31 March 2023, the Company acquired additional 5% stake in Stellarslog Technovation Private Limited (STPL) for purchase consideration of ₹ 38.36 million. Consequent to additional 5% acquisition, the total shareholding in STPL has increased from 49% to 54% and STPL has become subsidiary of the Company.

*** During the year ended 31 March 2023, the Company assessed the recoverable value of investment in these entities and recognised an impairment loss on investment aggregating to ₹ 265.01 million and disclosed under exceptional item.

**** Other adjustments pertains to repayment of corporate guarantee commission invoiced to subsidiaries and other adjustment.

Investment in convertible debentures

(Amount in ₹ millions)

Particulars	Number of debentures acquired	As at 1 April 2022 (net of impairment)	Issued during the year	Redeemed during the year	Impairment (recognised) / reversed during the year	Other adjustments	As at 31 March 2023
Subsidiaries							
Trimax Smart Infraprojects Private Limited*	(12,700)	204.36	-	(127.00)	(55.06)	-	22.30
Monster.com (India) Private Limited	1,250	-	100.00	-	-	-	100.00
Excelus Learning Solutions Private Limited*	-	182.18	-	-	(182.18)	-	-
Total		386.54	100.00	(127.00)	(237.24)	-	122.30

*During the year ended 31 March 2023, the Company assessed the recoverable value of investment in these entities and recognised an impairment loss on investment aggregating to ₹ 237.24 million and disclosed under exceptional item amounting to ₹ 182.18 million and loss allowance on investments, loan and other financial assets amounting to ₹ 55.06 million.

6 Non-current loans

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	560.18	670.07
Loans credit impaired - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	235.18	157.42
Less: Impairment (refer note 6.1)	(235.18)	(157.42)
	560.18	**670.07**

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6.1 Details of loans and advances given during the year under Section 186(4) of the Act:

Movement for the year ended 31 March 2024

(Amount in ₹ millions)

Particulars	Balance as at 1 April 2023	Loans and advances given during the year	Interest converted into loans during the year	Loans and advances repaid during the year	Converted into investment in equity instruments	Loss allowance (recognised)/ (reversal) during the year	Balance as at 31 March 2024
Subsidiaries							
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)	3.26	334.86	-	(330.43)	-	-	7.69
Excelus Learning Solutions Private Limited*	0.00	43.38	-	(73.05)	-	29.67	0.00
Trimax Smart Infraprojects Private Limited	251.69	8.61	24.94	(281.14)	-	-	4.10
Vedang Cellular Services Private Limited	3.36	194.07		(189.57)	-	-	7.85
Qdigi Services Limited	198.72	145.80	0.64	(345.16)	-	-	0.00
Monster.com (India) Private Limited	77.92	93.48	-	(134.03)	-	-	37.36
Quess Services Limited ****	2.94	-	-	-	-	(2.94)	0.00
Heptagon Technologies Private Limited **	235.18	-	-	-	-	(235.18)	-
Terrier Security Services (India) Private Limited	360.76	48.92	24.06	(32.51)	-	-	401.24
Billion Careers Private Limited	140.52	79.43	4.45	(2.00)	-	-	222.40
Stellarslog Technovation Private limited ***	67.00	23.41	2.31	-	(68.00)	(24.72)	-
Total	**1,341.36**	**971.96**	**56.40**	**(1,387.89)**	**(68.00)**	**(233.17)**	**680.66**
Non-current loans to subsidiaries (refer note 6)							**560.18**
Current loans to subsidiaries (refer note 14)							**-**
Current advances to subsidiaries (refer note 15)							**120.48**

* Impairment loss recognised due to nil recoverable value.

** During the year ended 31 March 2024, pursuant to internal restructuring, business contracts and employees of Heptagon Technologies ("Heptagon"), a 100% subsidiary of the Company, are being novated/transferred to the Company and other subsidiaries of the Group. Therefore, the Company recorded an impairment relating to loans given to Heptagon aggregating to ₹ 235.18 million disclosed under exceptional item.

*** During the year ended 31 March 2024, the Company has converted Loan of ₹ 68 million into equity and recognised net impairment of ₹ 37.52 million towards loan and advance given to Stellarslog Technovation Private Limited, disclosed as exceptional item.

**** During the year ended 31 March 2024, Quess Services limited has gone into liquidation on 20 March 2024, the company has recognised net impairment of ₹ 2.94 million and disclosed as exception item.

The above unsecured loans are given to subsidiaries at an interest rate equivalent to 10 years Government Bond rate except Stellarslog Technovation Private limited having the interest rate at 9% p.a. Loans do not have any fixed term and are receivable on demand. The above loans were given for the purpose of meeting working capital requirements.

Movement for the year ended 31 March 2023

(Amount in ₹ millions)

Particulars	Balance as at 1 April 2022	Loans and advances given during the year	Interest converted into loans during the year	Loans and advances repaid during the year	Converted into investment in equity instruments	Loss allowance recognised during the year	Balance as at 31 March 2023
Subsidiaries							
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)	1.43	1.83	-	-	-	-	3.26
Excelus Learning Solutions Private Limited*	113.36	88.27	4.35	(57.24)	-	(148.74)	0.00
Trimax Smart Infraprojects Private Limited	257.13	17.96	-	(23.41)	-	-	251.69
Vedang Cellular Services Private Limited	1.13	275.38	-	(273.15)	-	-	3.36
Qdigi Services Limited	181.99	314.24	0.30	(297.81)	-	-	198.72
Quesscorp Holdings Pte. Ltd	-	-	-	-	-	-	-
Quess Corp Vietnam Limited Liability Company	8.15	-	0.53	-	-	(8.68)	-
Monster.com (India) Private Limited	5.97	71.94	-	-	-	-	77.92
Quess Services Limited	2.94	-	-	-	-	-	2.94
Allsec Technologies Limited	-	9.11	-	(9.11)	-	-	-
Heptagon Technologies Private Limited	235.18	-	-	-	-	-	235.18
Terrier Security Services (India) Private Limited	111.65	638.52	3.29	(392.70)	-	-	360.76
Billion Careers Private Limited	0.68	139.84	-	-	-	-	140.52
Stellarslog Technovation Private limited	-	95.00	-	(28.00)	-	-	67.00
Total	**919.64**	**1,652.10**	**8.47**	**(1,081.42)**	**-**	**(157.42)**	**1,341.36**
Non-current loans to related parties (refer note 6)							**670.07**
Current loans to related parties (refer note 14)							**353.33**
Current advances to related parties (refer note 15)							**317.96**

* Impairment loss recognised due to nil recoverable value.

The above unsecured loans are given to subsidiaries at an interest rate equivalent to 10 years Government Bond rate except Stellarslog Technovation Private limited having the interest rate at 9% p.a. Loans do not have any fixed term and are receivable on demand. The above loans were given for the purpose of meeting working capital requirements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

6.2 Loans granted to promoters, directors, KMPs and related parties (repayable on demand):

(Amount in ₹ millions)

Particulars	Gross Amount	% to total loans outstanding*	Impairment	Net amount
As at 31 March 2024				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	857.44	99.61%	(233.17)	624.27
As at 31 March 2023				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	1490.31	98.22%	(157.42)	1332.89

* Remaining loans are pertains to loans given to employees.

7 Other non-current financial assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits*	627.86	565.91
Bank deposits (due to mature after 12 months from the reporting date)**	202.92	245.28
Indemnification assets***	443.34	443.34
Interest receivable from related parties (refer note 7.1)	38.43	31.70
Insurance recoverables	192.10	156.86
	1,504.65	**1,443.09**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Bank deposits to the tune of ₹ 198.75 million (31 March 2023: 245.28 million) are lien marked against borrowings and guarantees.

***As per the Share Purchase Agreement (''SPA'') and Share Holders Agreement ("SHA") dated 20 November 2017 with Conneqt Business Solutions Limited (formerly a subsidiary of the Group merged w.e.f 1 December 2023, and appointed date of April 1, 2021) and its shareholders, the Company will be indemnified for any future cash outflow on account of specific indirect tax claim which is existing as on the original date of acquisition. The claim is recognised as provision for expenses in the financial statements by recognising an equal amount as indemnification assets as part of the business combination when Conneqt Business Solutions Limited was originally acquired by the Group dated November 27, 2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2024

7.1 Interest on Loans to related parties

Particulars	Balance as at 1 April 2023	Interest accrued on loans during the year	Interest received during the year	Loss allowance recognised during the year	Converted into loan during the year	Balance as at 31 March 2024
Subsidiaries						
Trimax Smart infra Projects Private limited	24.94	15.01	(15.01)	-	(24.94)	-
Terrier Security Services (India) Private Limited	24.06	26.60	-	-	(24.06)	26.60
Qdigi Services Limited	0.64	3.13	(3.13)	-	(0.64)	-
Billion Careers Private Limited	4.45	11.83	-	-	(4.45)	11.83
Stellarslog Technovation Private limited	2.31	4.21	-	(4.21)	(2.31)	-
Total	**56.40**	**60.78**	**(18.14)**	**(4.21)**	**(56.40)**	**38.43**
Non Current Interest receivables from related parties						**38.43**
Current Interest receivables from related parties						**-**

Interest on Loans to related parties

Particulars	Balance as at 1 April 2022	Interest accrued on loans during the year	Interest received during the year	Loss allowance recognised during the year	Converted into loan during the year	Balance as at 31 March 2023
Subsidiaries						
Excelus Learning Solutions Private Limited	4.35	6.01	-	(6.01)	(4.35)	-
Quess Corp Vietnam LLC	0.53	0.65	-	(0.65)	(0.53)	(0.00)
Trimax Smart infra Projects Private limited	5.33	19.61	-	-	-	24.94
Terrier Security Services (India) Private Limited	3.29	24.06	-	-	(3.29)	24.06
Qdigi Services Limited	0.30	2.84	(2.20)	-	(0.30)	0.64
Billion Careers Private Limited	-	4.45	-	-	-	4.45
Stellarslog Technovation Private limited	-	2.31	-	-	-	2.31
Total	**13.80**	**59.93**	**(2.20)**	**(6.66)**	**(8.47)**	**56.40**
Non Current Interest receivables from related parties						**31.70**
Current Interest receivables from related parties						**24.70**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

8 Taxes

A Amount recognised in profit or loss

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current tax:		
In respect of the current year	(53.41)	(439.50)
Related to prior years	-	56.87
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	320.77	68.10
Income tax expense/(credit) reported in the standalone statement of profit and loss	**267.36**	**(314.53)**

B Income tax recognised in other comprehensive income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Re-measurement (loss)/gain on defined benefit plans		
Re-measurement (loss)/income on defined benefit plans before tax	(284.90)	98.26
Tax credit/ (expense)	72.21	(24.65)
Net of tax	**(212.69)**	**73.61**

C Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

D Reconciliation of effective tax rate

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Profit before tax	3,161.85	2,393.12
Tax using the Company's domestic tax rate of 25.168%	(795.77)	(602.30)
Effect of:		
Non-deductible expenses	(721.99)	(214.81)
80JJAA tax incentives	1,013.20	277.27
Effect of tax benefit relating to merger of Conneqt, MFX and Greenpiece	576.66	-
Income subject to different tax rates	38.35	16.68
Exempt income and others	156.96	208.63
Income tax expense/(credit) reported in the standalone statement of profit and loss	**267.36**	**(314.53)**

E The following table provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	5,428.82	4,943.09
Income tax liabilities	(993.62)	(654.78)
Net income tax assets as at the end of the year*	**4,435.20**	**4,228.31**

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	476.57	250.00
Income tax liabilities	(496.46)	(766.77)
Net income tax liabilities as at the end of the year*	**(19.89)**	**(516.77)**

* The net income tax assets and net income tax liabilities are presented based on respective assessement years for which income tax is determined.

F Deferred tax assets (net) (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets/(liabilities) are attributable to the following:		
Loss allowance on financial assets	652.80	471.77
Provision for employee benefits	762.03	612.22
Provision for disputed claims	41.81	41.81
Provision for Bonus	140.22	131.09
Property, plant and equipment and intangible assets	42.65	40.95
Goodwill on merger	(699.10)	(699.10)
Customer relationships	(9.26)	(65.51)
Right-of-use assets and related lease liabilities	86.30	74.69
Others	24.80	41.28
Net deferred tax assets	**1,042.25**	**649.21**

The movement of deferred tax aggregating to ₹ 392.98 millions for the year ended 31 March 2024 (31 March 2023: ₹ 43.45 millions) comprises ₹ 320.77 millions (31 March 2023: ₹ 68.10 millions) credited to standalone statement of profit and loss and ₹ 72.21 millions (31 March 2023: ₹ -24.65 millions) credited to other comprehensive income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

G Deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet:

(Amount in ₹ millions)

For the year ended 31 March 2024	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Goodwill on merger	(699.10)	-	-	(699.10)
Customer relationships	(65.51)	56.19		(9.26)
Deferred tax liabilities	**(764.61)**	**56.19**	**-**	**(708.36)**
Deferred tax assets on:				
Loss allowance on financial assets	471.77	181.03	-	652.80
Property, plant and equipment and intangible assets	40.95	1.70	-	42.65
Provision for employee benefits	612.22	77.60	72.21	762.03
Provision for disputed claims	41.81	-	-	41.81
Provision for Bonus	131.09	9.13	-	140.22
Right-of-use assets and related lease liabilities	74.69	11.61	-	86.30
Others	41.28	(16.49)	-	24.80
Deferred tax assets	**1,413.82**	**264.58**	**72.21**	**1,750.61**
Net deferred tax assets	**649.21**	**320.77**	**72.21**	**1,042.25**

(Amount in ₹ millions)

For the year ended 31 March 2023	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Goodwill on merger	(699.10)	-	-	(699.10)
Customer relationships	(98.86)	33.35		(65.51)
Deferred tax liabilities	**(797.96)**	**33.35**	**-**	**(764.61)**
Deferred tax assets on:				
Loss allowance on financial assets	348.47	123.31	-	471.77
Provision for employee benefits	533.88	102.99	(24.65)	612.22
Provision for disputed claims	34.21	7.60	-	41.81
Provision for Bonus	129.34	1.75	-	131.09
Right-of-use assets and related lease liabilities	95.17	(20.48)		74.69
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	226.76	(226.76)	-	-
Property, plant and equipment and intangible assets	35.02	5.93		40.95
Others	0.87	40.41	-	41.28
Deferred tax assets	**1,403.72**	**34.75**	**(24.65)**	**1,413.82**
Net deferred tax assets	**605.76**	**68.10**	**(24.65)**	**649.21**

The Company does not have any unrecognised deferred tax assets on carried forward tax losses.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

For contingencies relating to income taxes, refer to note 38

9 Other non-current assets (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
(Unsecured and considered good)		
Capital advances*	39.45	10.40
Advances other than capital advances		
Provident fund payments made under protest (refer note 24.1)	10.72	10.72
Taxes paid under protest (refer note 24.2, 24.3, 24.4)	339.59	63.16
Prepaid expenses	118.97	35.95
Balances with government authorities	22.79	19.00
	531.53	**139.23**

*includes capital advances paid to related party for development of intangible assets for Nil (31 March 2023: 9.11 million) (refer note 40).

10 Inventories (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Valued at lower of cost and net realizable value		
Raw material and consumables	42.88	45.46
Stores and spares	20.34	27.04
	63.22	**72.50**

11 i) Trade receivables - billed (unsecured) (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivable billed - considered good	12,488.94	10,806.67
Less: Allowance for expected credit loss	(946.77)	(541.29)
Trade receivable billed - considered good	**11,542.17**	**10,265.39**
Trade receivable billed - credit impaired	729.28	704.91
Less: Allowance for expected credit loss	(729.28)	(704.91)
Trade receivable billed - credit impaired	**-**	**-**
Trade receivable billed - disputed	137.18	137.18
Less: Allowance for expected credit loss	(137.18)	(137.18)
Trade receivable billed - disputed	**-**	**-**
Total trade receivables - billed	**11,542.17**	**10,265.39**

ii) Trade receivables - unbilled (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables - unbilled (refer note 11.2)	11,119.16	9,903.20
Less: Allowance for expected credit losses	(952.44)	(585.11)
Total trade receivables - unbilled	**10,166.72**	**9,318.09**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

Trade receivables ageing schedule for the year ended as on 31 March 2024 and 31 March 2023: (Amount in ₹ millions)

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good								
As at 31 March 2024	11,119.16	7,898.73	3,066.12	673.99	390.29	99.11	360.70	**23,608.10**
As at 31 March 2023	9,903.20	7,231.64	2,605.99	444.81	174.23	(0.43)*	350.42	**20,709.87**
Undisputed trade receivables – credit impaired								
As at 31 March 2024	-	15.53	19.99	7.51	37.11	(264.86)*	914.00	**729.28**
As at 31 March 2023	-	8.41	12.29	15.79	(260.24)*	29.80	898.86	**704.91**
Disputed trade receivables – credit impaired								
As at 31 March 2024	-	-	-	-	-	-	137.18	**137.18**
As at 31 March 2023	-	-	-	-	-	-	137.18	**137.18**
Total								
As at 31 March 2024	11,119.16	7,914.26	3,086.11	681.50	427.40	(165.76)	1,411.88	**24,474.55**
As at 31 March 2023	9,903.20	7,240.05	2,618.29	460.61	(86.01)	33.86	1,386.46	**21,551.97**
Less: allowance for expected credit loss								
As at 31 March 2024								**(2,765.67)**
As at 31 March 2023								**(1,968.49)**
Total trade receivable								
As at 31 March 2024								**21,708.88**
As at 31 March 2023								**19,583.48**

* Net negative balances in the ageing is because of unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices from customers. These credits and collections are considered in determining expected credit loss allowance for customers.

Undisputed trade receivables (billed)– considered good, includes receivables from government customers outstanding for more than one year ₹ 732.36 millions (31 March 2023: ₹ 425.18 millions)

Undisputed trade receivables (unbilled)– considered good, includes unbilled receivables from government customers aged more than one year ₹ 2,164.17 millions (31 March 2023: ₹ 1,423.14 millions)

11.1 Of the above, trade receivables from related party are as below: (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables from related parties (refer note 40)	821.46	374.63
Less: Allowance for expected credit losses	(255.76)	(143.40)
Net trade receivables	**565.71**	**231.23**

11.2 Includes billable to related parties ₹ 71.54 million (31 March 2023: 26.66 million; refer note 40).

12 Cash and cash equivalents

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	4.16	3.70
Balances with banks		
In current accounts	2,767.44	1,749.16
In EEFC accounts	38.21	9.00
In deposit accounts (with original maturity of less than 3 months)	13.23	9.40
	2,823.04	**1,771.26**

13 Bank balances other than cash and cash equivalents

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
In deposit accounts (maturity within 12 months from the reporting date)*	169.50	427.54
Earmarked balances with banks**	9.62	28.26
	179.12	**455.80**

*Bank deposits are lien marked against borrowings and guarantees.

**Earmarked balances with banks primarily relates to unpaid dividend and CSR unspent amount for year ended 31 March 2024. Refer note 32.2 for CSR related disclosure.

14 Current loans

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Other loans and advances		
Loans to employees	3.33	18.50
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	-	353.33
	3.33	**371.83**

15 Other current financial assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits*	127.68	113.69
Interest accrued but not due	22.16	22.89
Interest receivable from related parties (refer note 7.1)	0.01	24.70
Due from related parties (refer note 6.1)**	120.48	317.96
Receivable on account of sale of Qdigi (refer note 33.2)	46.00	-
	316.33	**479.24**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Net of impairment of ₹ 27.54 million (31 March 2023: ₹ 34 million)

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for the year ended 31 March 2024

16 Other current assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to suppliers*	386.94	299.16
Advances to employees	11.28	4.40
Other advances	28.70	36.58
Prepaid expenses	585.78	464.12
Balances with government authorities (refer note 21.1(iii))	19.70	12.24
	1,032.40	**816.50**

*includes advance to related parties ₹ 11.62 million (31 March 2023: ₹ 24.27 million) (refer note 40).

17 Equity share capital

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
393,850,000 (31 March 2023: 200,000,000) equity shares of par value of ₹ 10.00 each *	3,938.50	2,000.00
	3,938.50	**2,000.00**
Issued, subscribed and paid-up		
148,509,384 (31 March 2023: 148,229,488) equity shares of par value of ₹ 10.00 each, fully paid up	1,485.10	1,482.29
	1,485.10	**1,482.29**

* During the year ended 31st March 2024, pursuant to Merger (refer note 44), the authorised share capital of the Company has increased from ₹ 2,000 million divided into 200,000,000 equity shares of ₹ 10 each to ₹ 3,938.50 million divided into 393,850,000 equity shares of ₹ 10 each.

17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount in ₹ millions	Number of shares	Amount in ₹ millions
Equity shares				
At the commencement of the year	14,82,29,488	1,482.29	14,79,90,557	1,479.91
Add: Shares issued on exercise of employee stock options (refer note 42)	2,79,896	2.81	2,38,931	2.38
At the end of the year	**14,85,09,384**	**1,485.10**	**14,82,29,488**	**1,482.29**

17.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

17.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value of ₹ 10.00 each				
Fairbridge Capital (Mauritius) Limited	5,04,76,237	33.99%	5,04,76,237	34.05%
Ajit Isaac	1,75,19,613	11.80%	1,75,19,613	11.82%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	1,53,65,824	10.35%	1,53,65,824	10.37%

17.4 The Company has not issued any bonus share, made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date. However the Company has issued equity shares under Employee Stock option plan for which only exercise price has been received in cash as below (refer note 42).

(Values in numbers)

Particulars	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Shares issued on exercise of employee stock options (refer note 42)	2,79,896	2,38,931	3,11,693	1,68,170	5,38,680

17.5 Details of shareholding of promoters/ promoter group:

Promoter name	31 March 2024		31 March 2023		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	1,75,19,613	11.80%	1,67,69,613	11.33%	0.47%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	1,53,65,824	10.35%	1,53,65,824	10.38%	-0.03%
Fairbridge Capital Mauritius Limited	5,04,76,237	33.99%	4,38,76,237	29.60%	4.39%
Hwic Asia Fund Class A Shares	7,48,100	0.50%	7,48,100	0.51%	-0.01%

18 Other equity*

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium (refer note 18.1)	17,196.88	16,985.03
Share application money pending allotment	0.12	-
Stock options outstanding account (refer note 18.2)	491.09	399.40
Capital reserve (refer note 18.3)	357.10	357.10
Capital redemption reserve (refer note 18.4)	150.00	150.00
General reserve (refer note 18.5)	23.49	23.49
Other comprehensive loss (refer note 18.6)	(398.99)	(186.30)
Retained earnings (refer note 18.7)	7,584.90	4,749.60
	25,404.59	**22,478.32**

* For detailed movement of reserves refer standalone statement of changes in equity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

18.1 Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. The utilisation of the securities premium will be in accordance with the provisions of the Companies Act, 2013.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	16,985.03	16,985.03
Less: Reversal of issue cost on demerger *	211.85	-
Balance as at the end of the year	**17,196.88**	**16,985.03**

* During fiscal 2019-20, the Company had entered into a Composite Scheme of Arrangement and Amalgamation ("the Scheme AA") 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 had demerged its Human Resource Services business (including investment in shares of Quess Corp Limited) into the Company on a going concern basis. The Company had recorded a provision for stamp duty pursuant to the demerger under Scheme AA for ₹ 337.01 million out of which ₹ 125.16 million was paid by the Company during the year pursuant to completion of assessement and the remaining provision was credited back to securities premium account.

18.2 The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	399.40	348.70
Add: Grants issued during the year	91.69	50.70
Balance as at the end of the year	**491.09**	**399.40**

18.3 Capital reserve

Represents surplus arising due to prior common control business combinations. The surplus is not eligible for distribution to shareholders under the provisions of Companies Act, 2013.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	357.10	1,241.28
Effect of merger (refer note 44)	-	(884.18)
Balance as at the end of the year	**357.10**	**357.10**

18.4 Capital redemption reserve

The Company had issued 12.33% cumulative redeemable preference shares having face value of ₹ 10 each and redeemable at ₹ 12 each. As per the provisions of the Companies Act, 2013, the Company is required to create a capital redemption reserve equivalent to the nominal value of shares redeemed out of the profits of the Company. Such reserve can be created out of the free reserves of the Company. Accordingly, the Company has created CRR out of the retained earnings of earlier years. As per the provisions of the Companies Act,2013, such CRR can be used for issuing fully paid up bonus shares.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	150.00	-
Effect of merger (refer note 44)	-	150.00
Balance as at the end of the year	**150.00**	**150.00**

18.5 General reserve

General Reserve represents appropriation of profit by the Company. This represents a free reserve and is available for dividend distributions.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	23.49	21.56
Effect of merger (refer note 44)	-	1.93
Balance as at the end of the year	**23.49**	**23.49**

18.6 Other comprehensive loss

Re-measurement of the net defined benefit liability/ (asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	(186.30)	(218.66)
Effect of merger (refer note 44)	-	(41.25)
Add: Recognised during the year(net of Tax)	(212.69)	73.61
Balance as at the end of the year	**(398.99)**	**(186.30)**

18.7 Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	4,749.60	2,231.38
Effect of merger (refer note 44)	-	2,216.78
Add: Profit for the year	3,429.21	2,078.59
Less: Interim dividends paid during the year	(593.91)	(1,777.15)
Balance as at the end of the year	**7,584.90**	**4,749.60**

19 Non-current borrowings

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Vehicle loan	24.39	17.56
Less: Current maturities of long-term borrowings (refer note 21)	6.81	7.58
	17.58	**9.98**

19.1 Vehicle loans are repayable in equal monthly installments over a period of 5 years from the date of availing respective loan. The same is secured by hypothecation of the vehicles financed. Rate of interest is in the range of 6.60% to 9.15% p.a. (31 March 2023: 6.60% to 9.15% p.a.) and number of instalments pending for payments are ranging between 2-58 instalments. The Company's exposure to liquidity risk related to borrowings is disclosed in Note 35(ii).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

20 Provisions

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 41)	2,897.63	2,345.83
	2,897.63	**2,345.83**

21 Current borrowings

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Current maturities of long-term borrowings (refer note 19.1)	6.81	7.58
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 21.1 and 34)	1.14	629.07
Working capital loan (refer note 21.2 and 34)	2,004.69	3,041.26
Unsecured		
Working capital loan (refer note 21.2 and 34)	300.00	500.00
Commercial papers (refer note 21.3 and 34)	750.00	500.00
	3,062.64	**4,677.91**

21.1 The Company has taken cash credit and overdraft facilities having interest rate linked to 3M MCLR plus 0.25% and Repo rate plus 2.5% (31 March 2023: 3M MCLR and Repo rate plus 0.45%). These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company (present and future) and additionally collaterallized by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/ equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.

21.2 The Company has taken working capital loan from banks having interest rate ranging from 6.72% p.a. to 10.34% p.a.(31 March 2023: 4.5% p.a.-8.65% p.a.). These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company (present and future) and collateral by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future.

21.3 The Company has taken Commercial Papers having interest rates ranging from 7.45%-7.95%. These facilities are ranging for the period between 51 to 90 days.

21.4 Borrowings secured against current assets

(Amount in ₹ millions)

Quarterly statement dated	Name of the bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reasons for material discrepancies
30-Jun-23	Refer note below	Trade receivables	19,405.68	19,405.68	-	No difference
30-Sep-23 *			20,202.66	20,202.66	-	
31-Dec-23			23,839.92	23,839.92	-	
31-Mar-24			23,594.13	23,594.13	-	

* Based on the revised statements filed with the banks on 08 May 2024 during the course of audit.

Note:

The stock statements have been submitted quarterly to HDFC Bank, Axis Bank, Federal Bank, SBI Bank, IDFC First Bank, Standard Chartered Bank, Yes Bank.

21.5 The Company's exposure to liquidity risk related to other current financial liabilities is disclosed in note 35.

22 Trade payables

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (MSME)	134.80	89.76
Trade payables to related parties (refer note 40)	126.73	79.39
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	401.97	354.43
	663.50	**523.58**

Trade payables ageing schedule:

(Amount in ₹ millions)

Particulars	Outstanding for the following periods from the transaction date				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Outstanding dues to MSME*					
As at 31 March 2024**	134.80	-	-	-	**134.80**
As at 31 March 2023**	89.76	-	-	-	**89.76**
Others					
As at 31 March 2024	465.94	20.50	10.12	32.14	**528.70**
As at 31 March 2023	315.33	68.75	19.70	30.04	**433.82**
Total trade payables					
As at 31 March 2024	600.74	20.50	10.12	32.14	**663.50**
As at 31 March 2023	405.09	68.75	19.70	30.04	**523.58**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

**Amount outstanding for less than 45 days is ₹ 94.08 million (31 March 2023: ₹ 30.01 million).

22.1 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2024 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	134.80	89.76
- Interest	1.59	2.51
The amount of interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	2.42
The amount of interest accrued and remaining unpaid at the end of the accounting year;	-	3.34
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	1.59	7.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

23 Other current financial liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued and not due	5.97	3.19
Financial guarantee liability (measured at FVTPL)	0.02	2.99
Capital creditors	27.14	32.21
Other payables		
Accrued salaries and benefits	8,897.40	5,361.11
Customer liability	0.20	2,238.51
Provision for bonus and incentive	558.81	522.95
Provision for expenses*	2,053.38	1,916.77
Uniform deposits	3.34	2.27
Unclaimed dividend	8.62	6.38
Amount payable to related parties (refer note 40)	4.05	3.97
Others	3.00	-
	11,561.93	**10,090.35**

*Includes related party balances ₹ 202.66 million (31 March 2023: ₹ 93.14 million; refer note 40). Also includes provision for service tax accruals for Conneqt Business Solutions Limited (the erstwhile wholly owned subsidiary of the Company) for FY 2011-12 to 2016-17 of ₹ 443.33 million (31 March 2023 ₹ 443.33 million).

24 Provisions

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for compensated absences (refer note 41)	92.55	98.40
Provision for disputed claims	135.93	135.93
	228.48	**234.33**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2024:

(Amount in ₹ millions)

Particulars	Years pertaining to	Amount demanded	As at 1 April 2023	Provided during the year	Utilised during the year	As at 31 March 2024	Amount paid till date	Contingent liability*
Provident Fund (refer note 24.1)	April 2008 to February 2012	42.89	17.97	-	-	17.97	10.72	24.92
Provident Fund (refer note 38.3)	September 2015 to August 2022	86.91	-	-	-	-	-	86.91
Provident Fund (refer note 38.3)	April 2018 to December 2022	28.75	-	-	-	-	-	28.75
Service tax (refer note 24.2)	October 2007 to March 2016	154.02	117.96	-	-	117.96	11.55	36.06
Service tax (refer note 24.3)	FY 2013-14 FY 2014-15	3.91	-	-	-	-	0.29	3.91
Service tax (refer note 24.4)	April 2009 to September 2011	3.11	-	-	-	-	3.11	3.11
Service tax (refer note 7 and 23)	FY 2011-12 to FY 2016-17	443.33	443.33	-	-	443.33	33.25	-
GST	FY 2017-18 to FY 2020-21	15.36	-	-	-	-	7.38	15.36
Total		**778.28**	**579.26**	**-**	**-**	**579.26**	**66.31**	**199.02**

*excludes amount paid till date.

24.1 The demand pertains to non contribution of Provident fund, Pension fund, Deposit Linked Insurance Fund and administration charges in accordance with the definition of basic wages as contained in Section 2(b) of Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company, based on an expert's opinion, is of the view that the part of the claim made by the department is not probable, and accordingly a provision was recorded based on the management estimate. The Company has appealed against the ruling which is pending in Employees' Provident Fund Appellate Tribunal, New Delhi.

24.2 The demands pertains to Aravon Services Private Limited ("ASPL") which was merged with Quess Corp Limited w.e.f 1 April 2019. The amounts provided represents the best estimate of likely outflow of resources relating to this matter.

24.3 The demands pertain to Avon Facility Management Services Limited ("Avon") which was merged with Quess Corp Limited w.e.f 1 January 2014. The demand pertains to non-payment of services tax on training services provided under Government of India initiative, the Company has not created any provision considering that Avon is a registered vocational training provider associated with the National Council for Vocational Training and service tax is not applicable on rendering of vocational education and training course.

24.4 The demands pertains to Hofincons Infotech & Industrial Services Private Limited which was merged with Quess Corp Limited w.e.f 1 July 2014. The Company, based on assessment of the demand, is of the view that the claim made by the department is not probable.

25 Other current liabilities (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Unearned revenue*	118.32	50.62
Advance received from customers	114.78	21.90
Balances payable to government authorities	4,040.83	3,981.37
Others	17.58	16.58
	4,291.51	**4,070.47**

*Includes related party balances ₹ 0.30 million (31 March 2023: ₹ 0.56 million; refer note 40).

26 Revenue from operations (Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Sale of Services		
Workforce management	1,19,171.71	1,03,530.64
Operating asset management	19,448.74	17,196.75
Global technology solutions	17,091.39	15,651.94
	1,55,711.84	**1,36,379.33**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables, unearned revenue and advance from customers

The Company classifies the right to consideration in exchange for deliverables as either a trade receivable billed or unbilled. Invoicing in excess of revenues are classified as unearned revenue.

Trade receivables are presented net of impairment in the Balance Sheet.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

The following table provides information about trade receivables and unearned revenue from contracts with customers.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Billed	11,542.17	10,265.39
Unbilled	10,166.72	9,318.09
Unearned revenue	118.32	50.62
Advance from customers	114.78	21.90

The following table discloses the movement in trade receivables (unbilled) as disclosed in Note 11 :

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	9,318.08	7,468.08
Add: Business Combinations(refer note 44)	-	963.58
Add: Net revenue recognised during the year	7,518.72	7,341.31
Less: Invoiced during the year and therefore recognised as trade receivables-billed	(6,302.76)	(6,273.79)
Less : Loss allowance recognised during the year	(367.33)	(181.10)
Balance as at the end of the year	**10,166.72**	**9,318.08**

The following table discloses the movement in unearned revenue balances: (Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	50.62	41.92
Add: Business Combinations	-	10.07
Less: Revenue recognised during the year	(48.48)	(38.48)
Add: Invoiced during the year but not recognised as revenue during the year	116.18	37.11
Balance as at the end of the year	**118.32**	**50.62**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for:

(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2024, other than those meeting the exclusion criteria mentioned above, is ₹ 12.35 million (31 March 2023: ₹ 243.80 million). Out of this, the Company expects to recognise revenue of around 75.51% (31 March 2023: 98.85%) within the next one year and the remaining thereafter.

27 Other income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
a) Interest Income		
Interest income under the effective interest rate method on:		
Deposits with banks	63.90	53.19
Amortised cost adjustments for financial instruments	11.49	13.97
Interest on tax refunds received	78.34	1.04
Interest on loans given to related parties (refer note 40)	60.97	60.67
b) Dividend Income		
Dividend income on investments in subsidiaries	1,261.00	602.99
c) Other non-operating Income		
Foreign exchange gain	6.40	20.79
Profit on sale of property, plant and equipment and intangible assets	6.66	12.89
Royalty income	118.68	-
Miscellaneous income	4.25	15.32
	1,611.69	**780.86**

28 Cost of material and stores and spare parts consumed

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Inventory at the beginning of the year	72.50	69.84
Add: Purchases	1,868.63	1,810.30
Less: Inventory at the end of the year	(63.22)	(72.50)
Cost of materials and stores and spare parts consumed	**1,877.91**	**1,807.64**

29 Employee benefits expense

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Salaries and wages	1,27,544.93	1,09,660.52
Contribution to provident and other funds	9,811.90	9,142.00
Expenses related to post-employment defined benefit plan (refer note 41)	689.06	562.93
Staff welfare expenses	876.60	970.47
Expense on employee stock option scheme (refer note 42)	91.69	50.70
	1,39,014.18	**1,20,386.62**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

30 Finance costs

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Interest expense on financial liabilities at amortised cost	523.49	519.34
Interest expense on lease liabilities	377.88	348.17
Other borrowing costs	9.67	13.12
	911.04	**880.63**

31 Depreciation and amortisation expense

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Depreciation of property, plant and equipment [refer note 3(a)]	372.39	366.66
Depreciation of rights-of-use-assets [refer note 3(b)]	1,191.36	1,108.78
Amortisation of intangible assets (refer note 4)	288.57	308.66
	1,852.32	**1,784.10**

32 Other expenses

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Sub-contractor charges	4,213.38	4,233.54
Recruitment and training expenses	302.17	330.10
Rent (short term leases)	290.80	326.39
Power and fuel	266.61	255.24
Repairs and maintenance		
- buildings	283.41	189.02
- plant and machinery	329.66	418.87
- others	415.79	473.45
Legal and professional fees (refer note 32.1)	747.19	779.73
Rates and taxes	84.30	115.03
Technological support services	3.62	1.04
Printing and stationery	57.37	63.00
Stores and tools consumed	148.42	127.61
Travelling and conveyance	612.11	719.13
Communication expenses	180.38	165.67
Loss allowance on financial assets, net		
- Trade receivables(billed and unbilled) [refer note 35(i)]	924.62	536.20
- Investments, loans and other financial assets [refer note 5.1]	(17.70)	55.06
Equipment hire charges	130.55	111.23
Insurance	497.50	411.71
Database access charges	60.96	79.30

Particulars	For the year ended	
	31 March 2024	31 March 2023
Bank charges	17.01	9.40
Business promotion and advertisement expenses	319.16	352.56
Loss on sale of property, plant and equipment and intangible assets, net	8.77	11.56
Foreign exchange loss, net	4.24	0.73
Expenditure on corporate social responsibility (refer note 32.2)	53.05	46.62
Deposits/advances written-off	-	8.31
Miscellaneous expenses	66.62	78.68
	9,999.99	**9,899.18**

32.1 Payment to auditors (net of service tax / GST; included in legal and professional fees) (Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Statutory audit fees	14.50	12.65
Limited reviews	3.80	4.70
Others	1.87	1.25
Reimbursement of expenses	0.78	0.40
	20.95	**19.00**

32.2 Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
a) Gross amount required to be spent by the Company during the year	44.50	45.98
b) Amount of expenditure incurred	15.71	37.56
c) Shortfall at the end of the year	28.79	8.42
d) Total of previous years' shortfall*	25.61	46.92
e) Reason for shortfall	Pertains to ongoing projects	
f) Nature of CSR activities	Health and wellbeing, school upgradation and enrichment program.	
g) Details of related party transactions		
(i) Contribution to Quess Foundation	15.88	-
(ii) Contribution to Careworks Foundation	-	38.84
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	Not applicable	Not applicable

The unspent ₹ 53.72 millions pertaining to year ended 31 March 2022, 31 March 2023 and 31 March 2024 have been deposited in the CSR restricted bank accounts within the stipulated statutory time limit.

* During the year, the Company had spent ₹ 29.73 millions towards unspent of FY 21-2022 and FY 22-2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

33 Exceptional items

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	**31 March 2023**
Impairment, expected credit loss allowance / (reversal) of impairment on:		
-Intangible assets (refer note 33.3)	19.65	-
-Investment, Loan and advances of subsidiaries (refer note 33.1)	722.23	611.12
Gain on sale of investment in equity instruments of subsidiaries net of transaction cost(refer note 33.2)	(364.61)	(602.22)
Amalgamation related expense (refer note 44)	58.00	-
Demerger related expense (refer note 33.4)	70.97	-
	506.24	**8.90**

33.1 Impairment, expected credit loss allowance of impairment on investments, loans , interest on loans and advances of subsidiaries:

(Amount in ₹ millions)

Entity	31 March 2024			31 March 2023		
	Investment	Loans, interest on loans and advances	Total	Investment	Loans, interest on loans and advances	Total
Excelus Learning Solutions Private Limited	-	(29.67)	**(29.67)**	184.03	154.76	**338.79**
Billion Careers Private Limited	-	-	**-**	60.10	-	**60.10**
Quess Corp Vietnam LLC	-	-	**-**	13.06	9.17	**22.23**
Terrier Security Services (India) Private Limited	-	-	**-**	190.00	-	**190.00**
Heptagon Technologies Private Limited	145.00	250.10	**395.10**	-	-	**-**
Stellarslog Technovation Private Limited	171.44	28.93	**200.37**	-	-	**-**
Quess International Services Private Limited	150.00	-	**150.00**	-	-	**-**
Quess Services Limited	3.49	2.94	**6.43**	-	-	**-**
Total	**469.93**	**252.30**	**722.23**	**447.19**	**163.93**	**611.12**

33.2 During the year ended 31 March 2024, the Company sold its equity stake in Qdigi Services Limited (Qdigi) to Onsite Electro Services Limited (Onsite) for a consideration of ₹ 744.55 million resulting in a gain of ₹ 364.61 million which is disclosed as an exceptional item. The gain is net of transaction cost of ₹ 27.95 million. Out of the cash consideration, ₹ 46 million will be received after completion of closing conditions.

33.3 During the year ended 31 March 2024, the Company assessed recoverable value of goodwill pertaining to certain cash generating units which resulted in impairment of ₹ 10.33 million and intangible asset under development amounting to ₹ 9.32 million which is disclosed under exceptional item.

33.4 During the year ended March 31, 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/investments) engaged in BPM solutions, Insurtech and 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/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 SEBI, the NCLT, Bengaluru Bench ("Tribunal"), the Stock Exchanges and other statutory and regulatory authorities, and approval of the requisite majority of the shareholders and creditors of the Companies, under applicable law.

During the year ended 31 March 2024, the Company incurred certain transaction costs totaling to ₹ 70.97 million towards scheme of demerger which is disclosed under exceptional items.

34 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in ₹ millions)

Particulars	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Investments in convertible debentures*	5	374.96	-	-	100.00	-	-
Investment in compulsory convertible preference share **	5	-	350.02		-	-	-
Loans	6 and 14	-	-	563.51	-	-	1,041.90
Trade receivables (billed and unbilled)	11	-	-	21,708.89	-	-	19,583.48
Cash and cash equivalents	12	-	-	2,823.04	-	-	1,771.26
Bank balances other than cash and cash equivalents above	13	-	-	179.12	-	-	455.80
Other financial assets	7 and 15	-	-	1,820.98	-	-	1,922.33
Total financial assets		**374.96**	**350.02**	**27,095.54**	**100.00**	**-**	**24,774.76**
Financial Liabilities:							
Lease liabilities	3 (c)	-	-	3,740.77	-	-	3,664.39
Borrowings	19 and 21	-	-	3,080.22	-	-	4,687.89
Trade payables	22	-	-	663.50	-	-	523.58
Other financial liabilities*	23	0.02	-	11,561.91	2.99	-	10,087.36
Total financial liabilities		**0.02**	**-**	**19,046.40**	**2.99**	**-**	**18,963.22**

Investment in subsidiaries carried at cost is not appearing as financial asset in the table above being investment in subsidiaries and associates accounted under Ind AS 27, Separate Financial Statements and is hence scoped out under Ind AS 109.

*mandatorily classified as FVTPL on initial recognition

** mandatorily classified as FVTOCI on initial recognition

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard:

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for the year ended 31 March 2024

(Amount in ₹ millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2024	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investments in convertible debentures	5	374.96	-	-	374.96
Investment in compulsory convertible preference share	5	350.02			350.02
Total		**724.98**	**-**	**-**	**724.98**
Financial liabilities measured at fair value					
Other financial liabilities	22	0.02	-	-	0.02
Total		**0.02**	**-**	**-**	**0.02**

(Amount in ₹ millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investments in convertible debentures	5	100.00	-	-	100.00
Total		**100.00**	**-**	**-**	**100.00**
Financial liabilities measured at fair value					
Other financial liabilities	23	2.99	-	-	2.99
Total financial liabilities		**2.99**	**-**	**-**	**2.99**

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This comprises of investment in mutual funds and non-convertible debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial assets:

1) Loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets are short term and their carrying amounts are reasonable approximation of their fair value.

B Financial liabilities:

1) **Borrowings:** The current borrowings which includes cash credit and overdraft facilities and working capital loan, are classified and subsequently measured in the financial statements at amortised cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

Reconciliation of level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values:

(Amount in ₹ millions)

Particulars	Fair value through other comprehensive income	Fair value through profit and loss	Fair value through profit and loss
	Investment in compulsory convertible preference share	**Investment in convertible debentures**	**Financial guarantee liability**
Balance as at 31 March 2022	**-**	**-**	**10.48**
Investment made during the year (refer note 5)	-	100.00	-
Settlement / disposal	-	-	(7.49)
Balance as at 31 March 2023	**-**	**100.00**	**2.99**
Investment made during the year (refer note 5)	350.02	274.96	-
Settlement / disposal	-	-	(2.97)
Balance as at 31 March 2024	**350.02**	**374.96**	**0.02**

35 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables (both billed and unbilled) from customers, loans, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets represent security deposits given to suppliers, lessors and others. Credit risk associated with such deposits is relatively low. Loans are given to subsidiaries and associates and are tested for impairment where there is an indicator.

Trade receivables (including unbilled)

Trade receivables (including unbilled) are typically unsecured and are derived from revenue from customers primarily located in India.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable (billed and unbilled). The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government

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for the year ended 31 March 2024

customers, the Company derives the loss rates based on historical credit loss experience, which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing more than 10% of trade receivable billed and unbilled. For government customers, given the insignificant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer specific disputes.

The movement in the allowance for impairment in respect of trade receivables (including unbilled) is as follows:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	1,968.49	1,364.86
Additions through business combination (refer note 44)	-	81.57
Add: loss allowance recognised	924.61	536.20
Less: bad debts written off	(127.43)	(14.14)
Balance as at the end of the year	**2,765.67**	**1,968.49**

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

Financing arrangement

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023. The amounts are gross representing undiscounted contractual cash flows and includes contractual interest payments and exclude netting arrangements. The Company has an undrawn limit of ₹ 10,140 million as at 31 March 2024 (31 March 2023: 7,309.92 million).

As at 31 March 2024 (Amount in ₹ millions)

Particulars	Note	Contractual cash flows				
		Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	19 and 21	3,080.22	3,080.22	-	-	-
Trade payables	22	663.50	663.50	-	-	-
Lease liabilities	3 (c)	3,740.77	1,414.68	215.23	2,626.63	793.12
Other financial liabilities	23	11,561.93	11,561.93	-	-	-

As at 31 March 2023 (Amount in ₹ millions)

Particulars	Note	Contractual cash flows				
		Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	19 and 21	4,687.89	4,677.92	4.26	5.71	-
Trade payables	22	523.58	523.58	-	-	-
Lease liabilities	3 (c)	3,664.39	1,322.33	1,806.82	918.53	446.39
Other financial liabilities	23	10,090.35	10,090.35	-	-	-

The Company has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is not significantly exposed to currency risk as the Company's functional currency in ₹ and revenues and costs are primarily denominated in ₹ and therefore disclosures required under "Ind AS 107 - Financial Instruments: Disclosures" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing includes working capital loan which carries fixed rate of interest and which do not expose it to interest rate risk. The borrowings also includes cash credit facilities which carries variable rate of interest.

(a) Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(Amount in ₹ million)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	2,305.83	4,170.33

(b) Sensitivity (Amount in ₹ millions)

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2024				
Variable rate borrowings	(23.06)	23.06	(17.25)	17.25
31 March 2023				
Variable rate borrowings	(41.70)	41.70	(31.21)	31.21

The sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

36 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximise shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings and lease liabilities less cash and cash equivalents.

The Company's policy is to keep the ratio below 2. The Company's adjusted net debt to equity ratio were as follows:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Gross debt	6,820.99	8,352.28
Less: Cash and cash equivalents	(2,823.04)	(1,771.26)
Adjusted net debt	**3,997.95**	**6,581.02**
Total equity	26,889.69	23,960.61
Net debt to equity ratio	**0.15**	**0.27**

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37 Capital and other commitments

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	60.07	65.05
Corporate guarantees given as security for loan availed by related parties (refer note 37.1 and 37.2)	2,797.56	3,141.25
	2,857.63	**3,206.30**

37.1 The Company has given guarantees to banks for the loans availed by related parties to make good any default made by its related parties in repayment to banks. Total loan availed and outstanding as at 31 March 2024 is ₹ 620 million (31 March 2023: ₹ 693.25 million).

37.2 Movement of corporate guarantees given to related parties during the current year are as follows:

(Amount in ₹ millions)

Related parties	As at 1 April 2023	Given during the year	Expired during the year	As at 31 March 2024
Terrier Security Services (India) Private Limited	550.00	-	-	550.00
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)	350.00	-	-	350.00
Quessglobal (Malaysia) SDN. BHD.	16.89	-	(16.89)	-
Qdigi Services Limited	500.00	-	(500.00)	-
Vedang Cellular Services Private Limited	210.00	-	-	210.00
Quess Corp Lanka (Private) Limited	26.80	-	(26.80)	-
MFX Change Holdings Inc.	1,187.56	-	-	1,187.56
Monster.com (India) Private Limited	300.00	200.00	-	500.00
Total	**3,141.25**	**200.00**	**(543.69)**	**2,797.56**

Movement of corporate guarantees given to related parties during the previous year are as follows:

(Amount in ₹ millions)

Related parties	As at 1 April 2022	Given during the year	Expired during the year	As at 31 March 2023
Terrier Security Services (India) Private Limited	550.00	-	-	550.00
Excelus Learning Solutions Private Limited	185.16	-	(185.16)	0.00
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)	350.00	-		350.00
Quessglobal (Malaysia) SDN. BHD.	16.89	-	-	16.89
Qdigi Services Limited	500.00	-	-	500.00
Vedang Cellular Services Private Limited	210.00	-	-	210.00
Quess Corp Lanka (Private) Limited	26.80	-	-	26.80
MFXChange Holdings Inc.	1,187.56	-	-	1,187.56
Monster.com (India) Private Limited	300.00	-	-	300.00
Total	**3,326.41**	**-**	**(185.16)**	**3,141.25**

38 Contingent liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Bonus (refer note 38.2)	325.88	325.88
Provident fund (refer note 38.3 and 24.1)	140.58	53.67
Indirect tax matters (refer note 24.2, 24.3 and 24.4)	58.44	92.15
Direct tax matters (refer note 38.4)	1,829.83	860.45
Others	18.95	18.95
	2,373.68	**1,351.10**

38.1 Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company is contesting the demand and the Management believes that its position will more likely there not to be upheld. The Management believes that the outcome of this proceedings will not have material adverse effect on the Company's financial position and results of operations.

38.2 Contingent liability of ₹ 325.88 million pertains to retrospective application effective 1 April 2014 for amendments in the Payment of Bonus Act (Amendment Act, 2015) enacted on 31 December 2015. As per the amendment, the eligibility criteria of salary or wages has been increased from ₹ 10,000 per month to ₹ 21,000 per month [Section 2(13)] and the ceiling for computation of such salary or wages has been increased from ₹ 3,500 per month to ₹ 7,000 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher.

During fiscal 2015, the Company obtained a legal opinion from an external lawyer and was advised to take a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision is required. There have been no updates during fiscal year 2023 and 2024.

38.3 (i) During fiscal 2020, the Regional PF Commissioner ("RPFC") passed an under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding ₹ 716.56 million on the grounds that the Company 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 17 May 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. The Company considers the outflow relating to the claim to be remote.

(ii) During the year ended 31 March 2023, a division of the Company namely, Conneqt Business Solutions Private Limited (Conneqt) received a show cause notice ('notice') dated 26 December 2022 under Section 14B and Section 7Q respectively of the Employees' Provident Fund and Miscellaneous Provisions Act,1952 ("EPF Act"), Act for belated remittances made during the period from 14 April 2018 to 26 December 2022 show causing why damages and interest should not be levied amounting to ₹ 28.75 million (including damages of ₹ 18.86 million and interest of ₹ 9.89 million. Conneqt had time and again submitted letters/ responses to the EPFO highlighting the difficulties being faced by them as regards the non-generation of the UAN/ non-seeding of UAN with Aadhaar during onboarding process of the new employees which caused the delay in the timely payment of the necessary Provident Fund dues for the period 14 April 2018 to 26 December 2022.

The Company filed writ petition before the Hon'ble High Court of Telangana on 05 October 2023 & awaiting Court proceedings to commence.

The Company, basis legal opinion from its external attorney is of the view that the above claims shall be contested by the Company and no provision is required to be made at this stage, pending outcome of the matter.

(iii) During the year ended 31 March 2024, the Company has received an order dated 25 September 2023 from the Ld. RPFC Pune 1 stating that the Assessee has paid allowances by way of 'conveyance' and 'incentive' generally to all employees but has excluded the same for computation of contributions under the Act for the relevant period. Accordingly, PF dues on the aforesaid allowance's u/s 7A has been ordered by RPFC and directed to deposit an amount of INR.86.91 million against the alleged PF remittances. The Company contention is Incentive has been paid by the company to its employees in accordance with an incentive scheme which prescribes the rates at which it is earned by the employees on the basis of additional targets achieved by them. The said incentive, therefore, would not qualify as basic wages in terms of the law laid down in the authorities.

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Company filed a writ petition with the Hon'ble High Court of Bombay challenging the order and seeking stay. The honourable High court dated 23 november 2023 granted a stay on order and directed that no coercive action should be taken by the Ld. RPFC up to the next date of hearing which has been adjourned up to 26 September 2024.

The management is of the view that the above claims shall be contested by the company and no provision is required to be made at this stage, pending outcome of the matter.

38.4 Income Tax matters:

During the year ended 31 March 2023, the Company received assessment order under section 143(3) read with section 144C(13) of the Income Tax Act after completion of Dispute Resolution Panel ('DRP') proceedings for fiscal 2018 resulting in disallowances primarily relating to deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill.

Further, during the year ended March 31, 2024, the Company received: (i) assessment order for fiscal 2019 under section 143(3) of the Income Tax Act in which primarily deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill has been disallowed, (ii) draft assessment order for fiscal 2020 under section 144C (1) of the Income Tax Act in which primarily deductions under 80JJAA and depreciation on goodwill has been disallowed and (iii) draft assessment order for fiscal 2021 under section 144C (1) of the Income Tax Act in which primarily deductions under 80JJAA has been disallowed.

The Income Tax department disallowed the claim under section 80JJAA of the Income Tax 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 ₹ 25,000 in a month but the average emoluments for these additional employees does not exceed ₹ 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 and 2019 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 2020 and 2021 with the Dispute Resolution Panel.

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 ₹ 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 ₹ 4,025.76 million is claimed for the year ended 31 March 2024 (31 March 2023: ₹ 1,824.01). The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

38.5 The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before various tax authorities. The amounts included above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such dispute. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial conditions. The Company has accrued appropriate provision wherever required.

39 Earnings per share (Amount in ₹ millions except number of shares and per share data)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Nominal value of equity shares (INR per share)	10.00	10.00
Profit after tax for the purpose of earnings per share (INR in million)	3,429.21	2,078.59
Weighted average number of shares used in computing basic earnings per share	14,83,88,879	14,81,12,507
Basic earnings per share (INR)	**23.11**	**14.03**
Weighted average number of shares used in computing diluted earnings per share	14,93,14,718	14,92,46,722
Diluted earnings per share (INR)	**22.97**	**13.93**
Effect of dilutive common equivalent shares - share options outstanding	9,25,839	11,34,215
Anti dilutive common equivalent shares - share options outstanding	-	-

40 Related party disclosures

(i) Name of related parties and description of relationship:

Entities having significant influence/ joint control*	Fairfax Financial Holdings Limited
	Fairbridge Capital (Mauritius) Limited
	FFHL Group Ltd.
	Fairfax (Barbados) International Corp.
	Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
Subsidiaries (including step subsidiaries)	Brainhunter Systems Limited
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd
	Quessglobal (Malaysia) Sdn. Bhd.
	Quess Corp Lanka (Private) Limited
	Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	Quess Corp Vietnam LLC
	Excelus Learning Solutions Private Limited
	Vedang Cellular Services Private Limited
	Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)
	Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd.")
	Comtelink Sdn. Bhd.
	Monster.com (India) Private Limited
	Monster.com.SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia Sdn. Bhd
	Qdigi Services Limited (till 31 March 2024)

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	Simpliance Technologies Private Limited (till 06 October 2022)
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Quess Services Limited (liquidated w.e.f 20 March 2024)
	Allsec Technologies Limited
	Allsectech Inc. USA
	Allsectech Manila Inc. Philippines
	Trimax Smart Infraprojects Private Limited
	Terrier Security Services (India) Private Limited (refer note 5.2)
	Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)
	Billion Careers Private Limited
	Heptagon Technologies Private Limited (w.e.f 1 March 2022) [refer note 5.1]
	Quess Corp NA LLC (w.e.f 17 May 2022)
	Stellarslog Technovation Private Limited (w.e.f 25 April 2022)
	Quess Recruit, Inc. (w.e.f. 1 January 2024)
	Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023)
	Digitide Solutions Limited (w.e.f 10 February 2024)
	Bluspring Enterprises Limited (w.e.f 11 February 2024)
	MFX Infotech Private Limited (merged w.e.f. 1 December 2023)
	Greenpiece Landscapes India Private Limited (merged w.e.f. 1 December 2023)
	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) (merged w.e.f. 1 December 2023)
	Quess GTS Canada Holding Inc. (w.e.f. 5 October 2023)
Associates	Quess Recruit, Inc.(till 31 December 2023)
	Agency Pekerjaan Quess Recruit SDN. BHD (till 30 June 2023)
	Stellarslog Technovation Private Limited (till 24 April 2022)
Joint Venture	Himmer Industrial Services (M) Sdn. Bhd. (struck off w.e.f 04 March 2024)
Entities having common directors	Go Digit Infoworks Service Private Limited
	Go Digit General Insurance Limited
	National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
Entity controlled by promoters and promoter group	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
	Fairbridge Capital Private Limited
	Thomas Cook (India) Limited
	Net Resources Investments Private Limited
	HWIC Asia Fund Class A Shares
	Isaac Enterprises LLP
	BDC Digiphoto Imaging Solutions Private Limited

	TC Tours Limited
	Sterling Holiday Resorts Limited
	Travel Corporation (India) Limited
	SOTC Travel Private Limited
Charitable Trust for CSR activities	Quess Foundation
Key executive management personnel	
Ajit Isaac	Chairman (w.e.f. 1 April 2022)
	Executive Chairman (w.e.f. 1 April 2021 to 31 March 2022)
Guruprasad Srinivasan	Group Chief Executive Officer and Executive Director (w.e.f. 11 February 2022)
Kamal Pal Hoda	Group Chief Financial Officer (w.e.f. 11 January 2023)
Kundan K. Lal	Company Secretary and Compliance officer

* As per SEBI Regulations, promoters and promoter groups are considered to be persons acting in concert. Further as per SEBI Regulations "Persons acting in concert" are considered to exercise joint control over the Company.

(ii) Related party transactions during the year:

(Amount in ₹ millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2024	31 March 2023
Revenue from operations			
Subsidiaries	Vedang Cellular Services Private Limited	11.19	14.11
	Qdigi Services Limited	7.26	8.53
	Quess international services Private Limited	19.20	9.73
	Monster.com (India) Private Limited	10.37	65.52
	Quesscorp Singapore Pte Limited	6.92	2.61
	Allsec Technologies Limited	92.79	61.66
	Trimax Smart Infraprojects Private Limited	84.86	59.42
	Terrier Security Services (India) Private Limited	45.01	5.58
	Quesscorp Holdings Pte. Ltd	33.26	11.28
	Stellarslog Technovation Private Limited	4.03	4.43
	MFXchange Holdings Inc.	351.39	344.18
	Heptagon Technologies Private Limited	52.78	3.01
	Brainhunter Systems Limited	24.01	23.28
	Billion Careers Private Limited	19.76	-
Entities having common directors	Go Digit General Insurance Limited	7.80	7.89
	National Commodities Management Services Limited	30.26	41.90
Entity controlled by promoters	Careworks foundation	8.79	34.45
	Thomas Cook (India) Limited	71.79	69.64
	BDC Digiphoto Imaging Solutions Private Limited	0.50	0.12
	TC Tours Limited	14.02	14.92

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for the year ended 31 March 2024

(Amount in ₹ millions)

Nature of transaction and relationship	Name of related party	For the year ended 31 March 2024	For the year ended 31 March 2023
	Travel Corporation (India) Limited	0.41	0.19
	SOTC Travel Private Limited	23.27	18.63
	Net Resources Investments Private Limited	1.10	1.00
Other expenses			
Subsidiaries	Quess international services Private Limited	65.21	0.65
	Monster.com (India) Private Limited	(165.63)	(43.71)
	Allsec Technologies Limited	33.81	32.10
	Quessglobal (Malaysia) Sdn. Bhd.	1.50	1.04
	Simpliance Technologies Private Limited	-	2.00
	Quesscorp Manpower Supply Services LLC	178.35	206.50
	Terrier Security Services (India) Private Limited	426.73	331.46
	Quess Corp Lanka (Private) Limited	5.16	0.11
	Heptagon Technologies Private Limited	21.54	41.16
	Billion Careers Private Limited	20.98	17.71
	Stellarslog Technovation Private Limited	1.25	0.25
	Excelus Learning Solutions Private Limited	14.25	8.99
	MFXchange Holdings Inc.	29.33	-
Entity controlled by promoters	Net Resources Investments Private Limited	43.11	42.52
Entities having common directors	Go Digit General Insurance Limited	7.25	32.83
Intangible assets under development			
Subsidiaries	Heptagon Technologies Private Limited	-	3.43
Other intangible assets (additions)			
Subsidiaries	Billion Careers Private Limited	0.10	-
Intangible assets under development (disposals)			
Subsidiary	Heptagon Technologies Private Limited	9.33	-
Investments made and sale of equity instruments and convertible debentures of related parties		refer note 5.1	refer note 5.1
Loans and advances given to related parties		refer note 6.1	refer note 6.1
Repayment of loans and advances /conversion of loan into equity instruments by related parties		refer note 6.1	refer note 6.1
Interest on loans/debentures charged to related parties			
	Excelus Learning Solutions Private Limited	-	6.04
	Trimax Smart Infraprojects Private Limited	15.01	19.71
	Quess Corp Vietnam LLC	-	0.49

(Amount in ₹ millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2024	31 March 2023
	Terrier Security Services (India) Private Limited	26.61	24.23
	Qdigi Services Limited	3.13	2.86
	Billion Careers Private Limited	11.83	4.83
	Stellarslog Technovation Private Limited	4.21	2.51
Dividend income on investments			
Subsidiaries	Allsec Technologies Limited	335.49	223.66
	Quess Corp Holdings Pte Ltd	891.56	379.33
	Vedang Cellular Services Private Limited	33.95	-
Other income			
Subsidiaries	Allsec Technologies Limited	16.72	-
Royalty Income			
Subsidiaries	Quesscorp Manpower Supply Services LLC	118.68	-
Corporate Guarantee Income			
	MFXchange Holdings Inc.	6.74	6.69
Guarantees provided to banks on behalf of related parties		refer note 37.2	refer note 37.2

(iii) Balance receivable from and payable to related parties as at the reporting date: (Amount in ₹ millions)

Nature of balance and relationship	Name of related party	As at 31 March 2024	As at 31 March 2023
Trade receivables - billed (gross of loss allowance)			
Subsidiaries	Qdigi Services Limited	1.24	1.67
	Trimax Smart Infraprojects Private Limited	35.52	20.90
	Monster.com (India) Private Limited	138.80	7.62
	Quess Philippines Corp.	12.00	12.00
	Allsec Technologies Limited	69.11	24.67
	Excelus Learning Solutions Private Limited	3.99	3.99
	Vedang Cellular Services Private Limited	7.18	0.46
	Quess East Bengal FC Private Limited	3.60	3.60
	Terrier Security Services (India) Private Limited	38.96	3.10
	Quesscorp Holdings Pte. Ltd	-	11.45
	MFXchange Holdings Inc.	229.43	6.69
	Quess international services Private Limited	13.22	0.39
	Quesscorp Singapore Pte Limited	0.44	0.99
	Stellarslog Technovation Private Limited	6.25	1.29
	MFXchange US Inc.	-	114.62
	Brainhunter Systems Limited, Canada	11.54	8.19

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for the year ended 31 March 2024

Nature of balance and relationship	Name of related party	As at 31 March 2024	As at 31 March 2023
	Heptagon Technologies Private Limited	-	2.51
	Quesscorp Manpower Supply Services LLC	38.29	-
	Billion Careers Private Limited	21.40	-
Entities having common directors	Go Digit Infoworks Service Private Limited	0.35	0.35
Entity controlled by promoters	Careworks foundation	119.66	74.78
	Thomas Cook (India) Limited	76.63	75.14
	BDC Digiphoto Imaging Solutions Private Limited	0.07	0.14
	TC Tours Limited	(2.50)	(2.77)
	Sterling Holiday Resorts Limited	0.78	0.79
	Travel Corporation (India) Limited	0.18	0.18
	SOTC Travel Private Limited	(4.89)	(5.15)
Trade receivables - unbilled (gross of loss allowance)			
	Qdigi Services Limited	0.37	0.47
	Allsec Technologies Limited	5.11	1.23
	Trimax Smart Infra Projects Private limited	10.93	2.53
	Quesscorp Singapore Pte Limited	0.38	0.18
	Heptagon Technologies Private Limited	9.11	-
	Quess international services Private Limited	0.31	0.56
	Stellarslog Technovation Private Limited	-	0.26
	Brainhunter Systems Limited, Canada	1.61	1.70
	MFXchange Holdings Inc.	20.15	15.44
	Quess Corp Holding pte Ltd	17.28	-
	Billion Careers Private Limited	1.63	-
	Terrier Security Services (India) Private Limited	4.23	-
Entity in which key managerial person has significant influence	Careworks foundation	0.08	1.37
Entity controlled by promoters	Net Resources Investments Private Limited	0.10	0.09
	Thomas Cook (India) Limited	3.22	2.83
Unearned revenue			
Subsidiaries	Allsec Technologies Limited	-	0.25
	Terrier Security Services (India) Private Limited	0.30	0.31
Trade payables			
Subsidiaries	Monster.com (India) Private Limited	2.66	8.61
	Quess international services Private Limited	22.28	-
	Allsec Technologies Limited	2.11	6.11
	Quesscorp Manpower Supply Services LLC	2.48	23.88
	Terrier Security Services (India) Private Limited	61.16	37.21

Nature of balance and relationship	Name of related party	As at 31 March 2024	As at 31 March 2023
	Quess Corp Lanka (Private) Limited	1.08	0.06
	Heptagon Technologies Private Limited	4.60	2.42
	Brainhunter Systems Limited	1.09	1.09
	MFXchange Holdings Inc.	26.59	-
	Excelus Learning Solutions Private Limited	0.41	-
	Billion Careers Private Limited	2.26	-
Entities having common directors	Go Digit General Insurance Limited	-	7.37
Other assets (non-current and current)			
Subsidiaries	Heptagon Technologies Private Limited	1.46	9.11
	Terrier Security Services (India) Private Limited	6.63	12.51
Entities having common directors	Go Digit General Insurance Limited	2.16	2.65
	Go Digit Infoworks Service Private Limited	0.18	-
Entity controlled by promoters	Thomas Cook (India) Limited	1.19	-
Investments		refer note 5	refer note 5
Loans		refer note 6.1	refer note 6.1
Other financial assets (interest receivable)			
Subsidiaries	Trimax Smart Infra Projects Private limited	-	24.94
	Terrier Security Services (India) Private Limited	26.61	24.06
	Qdigi Services Limited	-	0.64
	Billion Careers Private Limited	11.83	4.45
	Stellarslog Technovation Private Limited	-	2.30
Other financial assets (due from related parties)		refer note 6.1	refer note 6.1
Other current financial liabilities			
	Monster.com (India) Private Limited	17.93	2.22
	Allsec Technologies Limited	8.71	2.54
	Quessglobal (Malaysia) Sdn. Bhd.	2.30	0.84
	Terrier Security Services (India) Private Limited	76.75	66.55
	Heptagon Technologies Private Limited	0.45	0.09
	Billion Careers Private Limited	37.15	17.71
	Quesscorp Manpower Supply Services LLC	23.65	0.00
	Quess international services Private Limited	26.11	0.15
	Quesscorp Lanka (Private) limited	2.61	-
	MFXchange Holdings Inc.	3.06	-
	Excelus Learning Solutions Private Limited	3.96	-
Entities having common directors	Go Digit General Insurance Limited	-	3.05

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for the year ended 31 March 2024

(iv) Guarantees outstanding (Amount in ₹ millions)

	refer note 37.2	refer note 37.2

(v) Contribution for CSR activites

Entity controlled by promoters	Quess Foundation	15.88	-
	Careworks Foundation	-	38.84

(vi) Compensation of key managerial personnel* (Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Salaries and other employee benefits to whole-time directors and executive officers	81.08	60.57
	81.08	**60.57**

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on valuation carried out for the Company as a whole.

(vii) Loans granted to promoters, directors, KMPs and related parties:	refer note 6.2	refer note 6.2

41 Assets and liabilities relating to employee benefits (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	2,897.63	2,345.83
Liability for compensated absences	92.55	98.40
Total employee benefit liability	**2,990.18**	**2,444.23**
Current (refer note 24)	92.55	98.40
Non-current* (refer note 20)	2,897.63	2,345.83
	2,990.18	**2,444.23**

For details about the related employee benefits expense, refer note 29.

*The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act,1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A Funding

The Company's gratuity scheme for core and associates employees is administered through a third party manager, the Life Insurance Corporation of India, SBI Life and ICICI Prudential. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan. The Company has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

The Company expects to pay ₹ 898.58 million contributions to its defined benefit plans in FY 2024-25.

B Reconciliation of net defined benefit liability/assets

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	2,617.85	2,062.25
Addition through business combination	-	294.96
Adjustment from opening balance for transfer in	(38.99)	-
Current service cost	521.57	470.24
Interest cost	187.21	109.63
Benefits settled	(403.50)	(213.85)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	277.60	8.28
- Changes in demographic assumptions	(5.48)	-
- Changes in financial assumptions	7.53	(113.66)
'Exchange Fluctuation adjustments	(47.02)	-
Transfer in	36.68	-
Obligation at the end of the year	**3,153.45**	**2,617.85**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	272.02	220.39
Addition through business combination	-	108.71
Interest income on plan assets	19.72	16.94
Return on plan assets recognised in other comprehensive income	(5.26)	(7.12)
Contributions	372.84	142.65
Benefits settled	(403.50)	(209.55)
Transfer in	-	-
Plan assets at the end of the year, at fair value	**255.82**	**272.02**
Net defined benefit liability	**2,897.63**	**2,345.83**

C (i) Expense recognised in the statement of profit or loss

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current service cost	521.57	470.24
Interest cost	187.21	109.63
Interest income	(19.72)	(16.94)
Net gratuity cost	**689.06**	**562.93**

(ii) Re-measurement recognised in other comprehensive income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Re-measurement of the net defined benefit liability	279.64	(105.38)
Re-measurement of the net defined benefit asset	5.26	7.12
	284.90	**(98.26)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2024

D Plan assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	255.82	272.02
	255.82	**272.02**

E Defined benefit obligation - actuarial assumptions

Particulars	For the year ended	
	31 March 2024	31 March 2023
Discount rate	7.05% - 7.30%	7.15% - 7.40%
Future salary growth	6.00% - 9.00%	6.00% - 8.30%
Attrition rate	12.50% - 80.00%	7.00% - 80.00%
Average duration of defined benefit obligation	1 - 16 years	1 - 8 years

F Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, the defined benefit obligation would be as shown below:

Core employees (Amount in ₹ millions)

Particulars	As at			
	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	278.74	257.86	194.84	183.58
Future salary growth (1% movement)	258.05	277.22	183.76	194.47
Attrition rate (10% movement)	236.78	226.91	195.03	184.72
Mortality rate (10% movement)	224.19	224.20	188.99	189.00

Associate employees (Amount in ₹ millions)

Particulars	As at			
	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	2,687.58	2,622.46	2,206.20	2,152.03
Future salary growth (1% movement)	2,621.84	2,687.59	2,151.48	2,206.25
Attrition rate (10% movement)	2,735.67	2,590.97	2,258.70	2,112.23
Mortality rate (10% movement)	2,654.20	2,655.03	2,178.42	2,179.14

42 Share-based payments

A Description of share based payment arrangement

At 31 March 2024, the Company has the following share-based payment arrangements:

Share option plans (equity settled)

Quess Corp Limited Employee Stock Option Scheme 2015 ("Scheme 2015")

The Board of Directors of the Company in its meeting held on 22 December 2015 approved the 'Quess Corp Limited Employee Stock Option Scheme 2015' ('Scheme 2015'), under which stock options are granted to specified employees of the Company. The Scheme 2015 provides for the issue of not more than 475,000 options (1,900,000 bonus adjusted options) with an exercise price of ₹ 10.00 each that would eventually convert into equity shares of ₹ 10.00 each. The options vest over a period of three years and are exercisable over a period of three years from the vesting date of each tranche. As at 31 March 2024, the Company has 2,321 (31 March 2023: 27,841) exercisable options outstanding.

Quess Stock Option Plan 2020 ("Scheme 2020")

The Board of Directors of the Company in its meeting held on 31 March 2020 approved the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), under which stock options are granted to specific employees of the Company and its subsidiaries. The maximum number of shares under QSOP 2020 shall not exceed 41,16,072 equity shares. The stock options granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. As at 31 March 2024, the Company has 100,782 (31 March 2023: 88,130) exercisable options outstanding.

B Measurement of fair values

Scheme 2015

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are not disclosed since no ESOP's under this scheme was granted during the year.

No options have expired during the current year and previous year.

Scheme 2020

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2024	31 March 2023
Weighted average share price at grant date (INR)	453.26	547.09
Exercise price (INR)	10.00	10.00
Risk free rate of interest (adjusted for dividend yield)	5.27% - 6.31%	3.61% - 6.81%
Expected volatility	28.00% -38.00%	33.00% -42.00%
Expected life of the option	4 - 9 years	4 - 9 years
Weighted average fair value at grant date (INR)	461.61	539.28

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

No options have expired during the current year and previous year.

C Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows:

Scheme 2015 (Share price in INR)

Particulars	For the year ended			
	31 March 2024		31 March 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**27,841**	**10.00**	**41,263**	**10.00**
Less: Exercised during the year	(25,520)	10.00	(13,422)	10.00
Balance as at the end of the year	**2,321**	**10.00**	**27,841**	**10.00**
Options vested and exercisable as at the end of year	**2,321**		**27,841**	

The options outstanding as at 31 March 2024 have an exercise price of ₹ 10.00 (31 March 2023: ₹ 10.00) and a weighted average remaining contractual life of nil years (31 March 2023: nil years)

Details of Grant date of options issued under ESOP 2015 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2024	31 March 2023
18 August 2017	10.00	2,321	27,841

Scheme 2020 (Share price in INR)

Particulars	For the year ended			
	31 March 2024		31 March 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	15,97,114	10.00	16,89,269	10.00
Add: Granted during the year	4,70,229	10.00	3,74,041	10.00
Less: Exercised during the year	(2,54,376)	10.00	(1,98,374)	10.00
Less: Lapsed/ forfeited during the year	(3,75,380)	10.00	(2,67,822)	10.00
Balance as at the end of the year	**14,37,587**	**10.00**	**15,97,114**	**10.00**
Options vested and exercisable as at the end of year	**1,00,782**		**88,130**	

The options outstanding as at 31 March 2024 have an exercise price of ₹ 10.00 (31 March 2023: ₹ 10.00) and a weighted average remaining contractual life of 4.74 years (31 March 2023: 4.86 years)

Details of Grant date of options issued under ESOP 2020 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2024	31 March 2023
11 May 2020	10.00	5,26,700	9,34,559
24 July 2020	10.00	11,590	18,784
01 June 2021	10.00	1,33,346	1,92,253
10 February 2022	10.00	81,215	94,779
15 June 2022	10.00	39,207	47,103
14 October 2022	10.00	1,77,739	2,34,452
03 February 2023	10.00	75,184	75,184
05 October 2023	10.00	2,34,638	-
16 February 2024	10.00	1,57,968	-

D Expense recognised in standalone statement of profit and loss

For details about the related employee benefits expense, refer note 29.

43 In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

44 The Board of Directors of the Company, at its meeting held on 7 July 2021 approved the Scheme of Amalgamation ("Scheme AAA") among Quess 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 financial statements have been restated for the year ended 31 March 2023 to give effect to the amalgamation along with also restating the opening balances of retained earnings and other reserves as at 1 April 2022.

The Company also incurred stamp duty of ₹ 58 million pursuant to amalgamation and disclosed them as an exceptional item during the year ended 31 March 2024.

Upon the Scheme AAA becoming effective, all the assets and liabilities of the transferor companies were recorded at the carrying values in the consolidated financial statements. The carrying amount of the Transferee Company's investment in the shares of the Transferor Companies was cancelled in the terms of this Scheme AAA. Intercompany balances and loans were extinguished on merger. The difference between net assets and post acquistion reserves (other equity) acquired and the cancellation of investments was recognised in Capital reserve.

A table showing the effect of Scheme AAA is given below: (Amount in ₹ millions)

Particulars	31 March 2023 (as reported previously)	Effect of Scheme AAA	31 March 2023 (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	384.77	1,191.14	1,575.91
Capital work-in-progress	-	0.69	0.69
Right-of-use assets	775.49	2,592.13	3,367.62
Goodwill	2,777.73	660.05	3,437.78
Other intangible assets	730.07	127.35	857.42
Intangible assets under development	12.47	(0.00)	12.47
Financial assets			
Investments	12,346.53	(2,244.72)	10,101.81
Loans	670.07	-	670.07
Other financial assets	628.28	814.81	1,443.09
Deferred tax assets (net)	452.77	196.44	649.21
Income tax assets (net)	3,976.27	312.04	4,288.31
Other non-current assets	225.37	(86.14)	139.23
Total non-current assets	**22,979.82**	**3,563.79**	**26,543.61**
Current assets			
Inventories	71.11	1.39	72.50
Financial assets			
Trade receivables			
Billed	8,653.67	1,611.72	10,265.39
Unbilled	8,073.81	1,244.28	9,318.09
Cash and cash equivalents	403.85	1,367.41	1,771.26
Bank balances other than cash and cash equivalents above	441.57	14.23	455.80
Loans	371.22	0.61	371.83
Other financial assets	457.54	21.70	479.24
Other current assets	637.34	179.16	816.50
Total current assets	**19,110.11**	**4,440.50**	**23,550.61**
Total assets	**42,089.93**	**8,004.28**	**50,094.21**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,482.29	-	1,482.29
Other equity	20,234.52	2,243.80	22,478.32
Total equity	**21,716.81**	**2,243.80**	**23,960.61**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	-	9.98	9.98
Lease liabilities	603.82	2,041.14	2,644.96
Provisions	2,160.82	185.01	2,345.83
Total non-current liabilities	**2,764.64**	**2,236.13**	**5,000.77**

Particulars	31 March 2023 (as reported previously)	Effect of Scheme AAA	31 March 2023 (restated)
Current liabilities			
Financial liabilities			
Borrowings	4,670.33	7.58	4,677.91
Lease liabilities	232.37	787.06	1,019.43
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	36.05	53.71	89.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	442.14	(8.32)	433.82
Other financial liabilities	7,947.30	2,143.05	10,090.35
Current tax liabilities (net)	381.89	134.88	516.77
Provisions	165.09	69.24	234.33
Other current liabilities	3,733.31	337.16	4,070.47
Total current liabilities	**17,608.48**	**3,524.36**	**21,132.84**
Total liabilities	**20,373.12**	**5,760.49**	**26,133.61**
Total equity and liabilities	**42,089.93**	**8,004.29**	**50,094.22**

A table showing the effect of Scheme AAA is given below: (Amount in ₹ millions)

Statement of profit and loss	For the year ended 31 March 2023 (as reported previously)	Effect of Scheme AAA	For the year ended 31 March 2023 (restated)
Income			
Revenue from operations	1,21,963.45	14,415.88	1,36,379.33
Other income	707.62	73.24	780.86
Total income	**1,22,671.07**	**14,489.12**	**1,37,160.19**
Expenses			
Cost of material and stores and spare parts consumed	1,773.52	34.12	1,807.64
Employee benefits expense	1,09,156.31	11,230.31	1,20,386.62
Finance costs	574.89	305.74	880.63
Depreciation and amortisation expense	651.10	1,133.00	1,784.10
Other expenses	9,094.63	804.55	9,899.18
Total expenses	**1,21,250.45**	**13,507.72**	**1,34,758.17**
Profit before tax and exceptional items	**1,420.62**	**981.40**	**2,402.02**
Exceptional items	83.04	(74.14)	8.90
Profit before tax	**1,337.58**	**1,055.54**	**2,393.12**
Tax (expense)/credit			
Current tax	(134.88)	(304.62)	(439.50)
Income tax relating to earlier years	55.23	1.64	56.87
Deferred tax	43.73	24.37	68.10
Total tax expense	**(35.92)**	**(278.61)**	**(314.53)**
Profit for the year	**1,301.66**	**776.93**	**2,078.59**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans	67.53	30.73	98.26
Income tax relating to items that will not be reclassified to profit or loss	(16.99)	(7.66)	(24.65)
Other comprehensive income / (loss) for the year, net of income tax	**50.54**	**23.07**	**73.61**
Total comprehensive income for the year	**1,352.20**	**800.00**	**2,152.20**

Effect of restatement on Earnings Per Share (Amount in ₹ millions except number of shares and per share data)

Particulars	For the year ended		
	31 March 2023 (as reported previously)	Effect of Scheme AAA	31 March 2023 (restated)
Nominal value of equity shares (INR per share)	10.00	10.00	10.00
Profit after tax for the purpose of earnings per share (INR in million)	1,301.66	776.93	2,078.59
Weighted average number of shares used in computing basic earnings per share	14,81,12,507	-	14,81,12,507
Basic earnings per share (INR)	**8.79**	**5.25**	**14.03**
Weighted average number of shares used in computing diluted earnings per share	14,92,46,722	-	14,92,46,722
Diluted earnings per share (INR)	**8.72**	**5.21**	**13.93**

45 Ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023:

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	1.25	1.11	13%	
Debt-equity ratio	Total Debt*	Shareholder's equity	0.25	0.35	-29%	Refer note 45.1
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service^	1.13	0.83	36%	Refer note 45.2
Return on equity ratio	Net profits after taxes	Average shareholder's equity	13.49%	8.75%	54%	Refer note 45.3
Inventory turnover ratio	Cost of materials consumed	Average inventory	27.67	25.40	9%	
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	7.54	7.43	1%	
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	4.23	4.27	-1%	
Net capital turnover ratio	Revenue from operations	Average working capital	40.94	53.54	-24%	
Net profit ratio	Net profits after taxes	Revenue from operations	2.20%	1.52%	44%	Refer note 45.3
Return on capital employed	Earning before interest and taxes	Capital employed^^	14.22%	11.97%	19%	
Return on investment	Not Applicable	Not Applicable	-	-	-	

* Debt represents borrowings and lease liabilities

EFDS= Net Profit After taxes + Non cash operating expenses like depreciation and Other amortizations + Interest + other adjustment like profit/(loss) on sale of property, plant and equipment and intangible assets

^Principal repayments and lease payments for the current year

^^ Net worth + Borrowings + Lease liabilities - Goodwill - Intangible assets under development - Other intangible assets - Deferred tax assets

45.1 In the current year, total debt has decreased due to repayments made from cash generated across divisions, increased business profits, dividends received from subsidiaries, and the sale of Qdigi Services Limited.

45.2 In the current year, there has been comparatively more increase in Profit after tax as compared to increase in repayments of borrowings during the year, resulting in increase in Debt service coverage ratio.

45.3 In the current year, profit after tax has increased primarily due to the growth of business profits in the global technology solutions and operating asset management segments, dividends and royalty income received from subsidiaries, profit from the sale of Qdigi Services Limited and a reduction in tax expenses resulting from the merger of Conneqt Business Solutions Limited.

46 The Company does not have any relationship with struck off Companies during the year and as at balance sheet date. Disclosure of transaction with struck off Companies is given below:

(Amount in ₹ millions)

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at 31 March 2024	Balance outstanding as at 31 March 2023	Relationship with struck off company
Genpact India Services Private Limited	Receivables	2.86	-	Customers

47 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

48 Interim Dividend:

The Board of Directors at their meeting held on 2 February 2024 declared interim dividend of ₹ 4.00 per equity share (face value of ₹ 10.00 each) for the financial year 2023-24 aggregating to ₹ 593.91 million.

The Board of Directors at their meeting held on 31 May 2022 and 9 November 2022 declared interim dividend of ₹ 4.00 and ₹ 8.00 per equity share respectively (face value of ₹ 10.00 each) for the financial year 2022-23 aggregating to ₹ 1,777.15 million.

Proposed Dividend:

The Board of Directors at their meeting held on 9 May 2024 recommended a final dividend of ₹ 6.00 per equity share (face value of ₹ 10.00 each) for the financial year 2023-24 aggregating to ₹ 891.06 million.

The Company is in compliance with Section 123 of the Act.

49.1 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

49.2 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

49.3 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company is maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The Company is maintaining backup of books of account on a daily basis, except for one application where the Company has maintained the backup on quarterly basis.

49.4 The Company has used accounting softwares for maintaining its books of account, which has a feature for recording an audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that:

- audit trail feature was not enabled in respect of one accounting software at the table level to log any direct data changes.
- The Company has also used two other accounting softwares, which is operated by a third-party software provider, for maintaining the books of account relating to financial reporting and payroll processes. There is no reporting on audit trail in the System and Organisation Controls (SOC 1) Type 2 Report of the third-party software provider.

50 Other Disclosure

50.1 The Company has not been declared wilful defaulter by any bank or financial institution or Other provider.

50.2 The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Company beyond the statutory period.

50.3 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

51 The Company evaluated subsequent events through 9 May 2024, which is the date on which the standalone financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the standalone financial statements.

52 Previous year's figures have been regrouped / rearranged wherever necessary.

INDEPENDENT AUDITOR'S REPORT

To The Members of Quess Corp Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Quess Corp Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate and joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date (hereinafter referred to as "the consolidated financial statements").

Basis for Qualified Opinion

As stated in note 41.4 to the consolidated financial statements, 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 41.4 to the consolidated financial statements, 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 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.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 41.2 (i) to the consolidated financial statements, regarding the demands received by the Parent in respect of Provident Fund and the contingency related to the pending litigation on the said matter.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the Basis for Qualified Opinion section of our audit report, we have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Revenue recognition: The Parent derives revenue primarily from staffing services in the operating segments comprising of Workforce management, Operating asset management and Global Technology Solutions. Revenue from staffing services is recognised over time as the customer simultaneously receives and consumes the benefits as the Parent renders the services. The invoicing for these services is either based on cost plus a service fee or fixed fee model. The Parent's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognized as unbilled revenues. Unbilled revenues are invoiced subsequent to the year end based on customer acceptances. We considered recording of unbilled revenues relating to staffing services as a key audit matter as there is a significant judgement applied by the Parent to ensure that revenue is recorded based on (1) contractual terms and (2) attendance which is estimated for the period from the last billing date to the year end based on prior months attendance records. Refer Note 2.20 and 29 to the consolidated financial statements.	Principal audit procedures performed: Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following: • Tested the effectiveness of controls relating to accuracy and occurrence of unbilled revenues. • For a sample of contracts, o tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred / resources deployed. o tested unbilled revenues with subsequent invoicing based on customer acceptances

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. These are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above when it becomes available, compare with the financial statements of the subsidiaries, joint venture and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint venture and associate, is traced from their financial statements audited by the other auditors.
- When we read the Board's report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such or entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the matter that was of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of 27 subsidiaries, whose financial statements reflect total assets of ₹ 13,933.18 million as at March 31, 2024, total revenues of ₹ 28,596.84 million and net cash outflows amounting to ₹ 231.51 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements/financial information of 10 subsidiaries, whose financial statements reflect total assets of ₹ 805.03 million as at March 31, 2024, total revenues of ₹ 1,262.28 million and net cash outflows amounting to ₹ 59.57 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of loss after tax of ₹ 0.69 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, except (a) for the possible effects of the matter described in the Basis for Qualified Opinion section above, and (b) not keeping backup on a daily basis of one application maintained in electronic mode in a server physically located in India (refer note 53 to the consolidated financial statements) and (c) not complying with the requirements of audit trail as stated in (i)(vi) below, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section above, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The qualification relating to maintenance of accounts and other matters connected therewith, is as stated in the Basis for Qualified Opinion section and in the paragraph (b) above and the modification relating to keeping back up of books of account on a daily basis in a server physically located in India and relating to complying with the requirements of audit trail is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies incorporated in India. Our report expresses a qualified opinion on the operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies, for the reasons stated therein.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, incorporated in India, the remuneration paid by the Parent and such subsidiary companies, to their directors during the year is in accordance with the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 41 to the consolidated financial statements.

   ii) The Group, its associate and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, incorporated in India.

   iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, other than as disclosed in the note 49 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, other than as disclosed in the note 49 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v) The interim dividends declared and paid by the Parent during the year and until the date of this report are in accordance with Section 123 of the Act.

   As stated in note 51 to the consolidated financial statements, the Board of Directors of the Parent has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

   vi) Based on our examination, which included test checks and that performed by the auditors of the subsidiary companies and based on the other auditor's report of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting softwares, except for the instances mentioned below (Refer note 53(ii) to the consolidated financial statements):

   - In respect of one accounting software used by the Parent and its two subsidiary companies, audit trail feature was not enabled at the table and database level to log any direct data changes;

   - The Parent has used two other accounting softwares, which is operated by a third-party software provider, for maintaining the books of account relating to financial reporting and payroll processes. In the absence of coverage of audit trail requirement in the System and

Organisation Controls (SOC 1) Type 2 Report, we are unable to comment on whether audit trail feature of the said softwares was enabled and operated throughout the year for all relevant transactions recorded in the softwares;

- In respect of one accounting software used by a subsidiary company, audit trail feature was not enabled at the application and the database level to log any direct data changes;
- In respect of one accounting software used by three subsidiary companies for maintaining its books of account audit trail (edit log) facility at the application level for certain transactions was not enabled. Further, we are unable to test and comment on whether the audit trail feature was enabled and operated throughout the year for the relevant transactions recorded in the accounting software at the database level.

Additionally, except for the instances noted above wherein we are unable to comment on the feature of audit trail, during the course of our audit and based on the other auditor's report of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Quess Corp Limited	L74140KA2007PLC043909	Parent	Clause 3(i)(c), Clause 3(iii)(c), Clause 3(iii)(d), Clause 3(iii)(e), Clause 3(vii)(a), Clause 3(vii)(b) and Clause 3(xvii)
Excelus Learning Solutions Private Limited	U74999KA2016PTC097984	Subsidiary	Clause 3(vii)(a) and Clause 3(xvii)
Vedang Cellular Services Private Limited	U32309MH2010PTC201638	Subsidiary	Clause 3(i)(a) and Clause 3(vii)(a)
Monster.com (India) Private Limited	U72200TG2000PTC035617	Subsidiary	Clause 3(vii)(a), Clause 3(vii)(b) and Clause 3(xvii)
Qdigi Services Limited	U52100DL2012PLC238730	Subsidiary	Clause 3(vii)(a)
Terrier Security Services (India) Private Limited	U74920KA2009PTC049810	Subsidiary	Clause 3(ii)(b), Clause 3(vii)(a) and Clause 3(vii)(b)
Quess International Services Private Limited	U93000KA2008PTC133410	Subsidiary	Clause 3(vii)(b) and Clause 3(xvii)
Stellarslog Technovation Private Limited	U72200KA2015PTC084539	Subsidiary	Clause 3(xvii)
Billion Careers Private Limited	U74140KA2021PTC154916	Subsidiary	Clause 3(xvii)
Trimax Smart Infraprojects Private Limited	U74999KA2017PTC135030	Subsidiary	Clause 3(xvii)
Heptagon Technologies Private Limted	U72200TZ2015PTC021609	Subsidiary	Clause 3(xvii)

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 24110815BKFIEA5973)

Place: Bengaluru
Date: May 09, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Quess Corp Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified opinion

With respect to the Parent, according to the information and explanations given to us and based on our audit, a material weakness has been identified in the Parent's internal financial controls over financial reporting as it relates to uncertainty over

Income taxes as more fully described in the basis of qualified opinion of the consolidated financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the Parent's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI, and except for the possible effects of the material weakness described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Parent and its subsidiary companies internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Parent for the year ended March 31, 2024, and the material weakness affect our opinion on the said consolidated financial statements of the Parent.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 8 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 24110815BKFIEA5973)

Place: Bengaluru
Date: May 09, 2024

CONSOLIDATED BALANCE SHEET

(Amount in ₹ millions)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	1,960.37	2,090.97
Right-of-use assets	3 (b)	4,220.66	4,365.47
Capital work-in-progress	3 (a)	26.07	1.02
Goodwill	4	10,038.63	10,427.46
Other intangible assets	5	732.93	1,073.74
Intangible assets under development	5	299.50	180.11
Investments accounted for using the equity method	6	-	10.86
Financial assets			
Investments	6	366.57	16.55
Other financial assets	7	1,880.60	1,755.84
Deferred tax assets (net)	8	1,504.01	1,064.11
Income tax assets (net)	8	5,127.33	4,904.52
Other non-current assets	9	589.53	198.78
Total non-current assets		**26,746.20**	**26,089.43**
Current assets			
Inventories	10	71.28	281.57
Financial assets			
Investments	11	562.79	467.79
Trade receivables			
- Billed	12	15,388.29	14,853.27
- Unbilled		12,333.00	12,032.64
Cash and cash equivalents	13	5,201.25	4,375.74
Bank balances other than cash and cash equivalents above	14	251.39	1,285.34
Loans	15	8.65	36.79
Other financial assets	16	244.18	213.63
Other current assets	17	1,663.32	1,551.51
		35,724.15	**35,098.28**
Asset classified as held for sale	48	**80.08**	**-**
Total current assets		**35,804.23**	**35,098.28**
Total assets		**62,550.43**	**61,187.71**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,485.10	1,482.29
Other equity	19	26,504.83	24,205.22
Total equity attributable to equity holders of the Company		**27,989.93**	**25,687.51**
Non-controlling interests	20	1,656.09	1,620.51
Total equity		**29,646.02**	**27,308.02**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	17.58	94.72
Lease liabilities	3 (c)	3,258.60	3,379.30
Provisions	22	3,361.59	2,743.40
Total non-current liabilities		**6,637.77**	**6,217.42**
Current liabilities			
Financial liabilities			
Borrowings	23	3,677.78	5,216.09
Trade payables	24	1,175.58	1,249.38
Lease liabilities	3 (c)	1,427.18	1,423.23
Other financial liabilities	25	13,731.19	13,051.08
Current tax liabilities (net)	26	204.99	693.23
Provisions	27	334.04	336.84
Other current liabilities	28	5,689.92	5,692.42
		26,240.68	**27,662.27**
Liabilities directly associated with assets classified as held for sale	48	**25.96**	**-**
Total current liabilities		**26,266.64**	**27,662.27**
Total liabilities		**32,904.41**	**33,879.69**
Total equity and liabilities		**62,550.43**	**61,187.71**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 9 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 9 May 2024

Place: Bengaluru
Date: 9 May 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ millions, except per share data)

	Note	For the year ended	
		31 March 2024	31 March 2023
Income			
Revenue from operations	29	1,91,001.33	1,71,583.87
Other income	30	294.53	263.35
Total income		**1,91,295.86**	**1,71,847.22**
Expenses			
Cost of material and stores and spare parts consumed	31	4,771.95	4,794.39
Employee benefits expense	32	1,65,567.73	1,46,595.61
Finance costs	33	1,173.23	1,066.08
Depreciation and amortisation expense	34	2,831.95	2,746.12
Other expenses	35	13,726.55	14,337.25
Total expenses		**1,88,071.41**	**1,69,539.45**
Profit before share of profit/(loss) of equity accounted investees, exceptional items and income tax		3,224.45	2,307.77
Share of (loss)/profit of equity accounted investees (net of income tax)	6	(0.69)	0.84
Profit before exceptional items and tax		**3,223.76**	**2,308.61**
Exceptional items	36	271.59	(535.03)
Profit before tax		**2,952.17**	**2,843.64**
Tax (expense)/credit			
Current tax	8	(518.40)	(843.35)
Tax relating to earlier years	8	(0.69)	55.90
Deferred tax	8	370.96	172.90
Total tax expense		**(148.13)**	**(614.55)**
Profit for the year		**2,804.04**	**2,229.09**
Other comprehensive (loss)/income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (loss)/income on defined benefit plans	45	(318.24)	106.61
Income tax relating to items that will not be reclassified to profit or loss	8	81.75	(24.63)
Items that will be reclassified subsequently to profit or loss			
Foreign exchange differences on translating financial statements of foreign operations		(19.12)	472.56
Total other comprehensive (loss)/income for the year, net of income tax		**(255.61)**	**554.54**
Total comprehensive income for the year		**2,548.43**	**2,783.63**
Profit/(Loss) attributable to			
Owners of the Company		2,778.56	2,244.17
Non-controlling interests	20	25.48	(15.08)
Total profit for the year		**2,804.04**	**2,229.09**
Other comprehensive (loss)/income attributable to			
Owners of the Company		(236.41)	546.75
Non-controlling interests	20	(19.20)	7.79
Total other comprehensive (loss)/income for the year		**(255.61)**	**554.54**
Total comprehensive income/(loss) attributable to :			
Owners of the Company		2542.15	2,790.93
Non-controlling interests		6.28	(7.30)
Total comprehensive income for the year		**2,548.43**	**2,783.63**
Earnings per equity share (face value of ₹ 10.00 each)			
Basic (in INR)	42	18.72	15.16
Diluted (in INR)	42	18.61	15.04

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 9 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 9 May 2024

Place: Bengaluru
Date: 9 May 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Cash flows from operating activities		
Profit for the year	2,804.04	2,229.09
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	148.13	614.55
Interest on tax refunds	(91.81)	(22.73)
Exceptional items (refer note 36)		
- Impairment of Goodwill and other Intangible assets	224.87	-
- Gain on sale of subsidiary net of transaction cost of ₹ 27.95 million	(387.50)	(535.03)
- Expected credit loss on Trade receivables (billed and unbilled)	305.30	-
Interest on term deposits	(96.90)	(100.53)
Amortised cost adjustments for financial instruments	(18.37)	(15.38)
Profit/ (loss) on sale of property, plant and equipment, net	21.96	(1.73)
Gain on sale of investments in mutual funds	(30.80)	(11.14)
Fair value gain on financial assets designated at fair value through profit or loss	(5.93)	(24.16)
Employee stock option cost	260.21	292.26
Finance costs	1,173.23	1,066.08
Depreciation and amortisation	2,831.95	2,746.12
Expected credit loss allowance on trade receivables (billed and unbilled)	871.53	687.08
Bad debts written off	217.87	17.39
Deposits written off	0.58	8.31
Liabilities no longer required written back	(13.82)	-
Foreign exchange gain, net	(32.80)	(61.59)
Share of loss/(profit) of equity accounted investees	0.69	(0.84)
Operating profit before working capital changes	**8,182.43**	**6,887.75**
Changes in operating assets and liabilities		
Changes in inventories	12.83	(6.77)
Changes in trade receivables (billed and unbilled)	(2,825.07)	(4,267.37)
Changes in loans, other financial assets and other assets	(808.24)	(310.30)
Changes in trade payables	198.47	93.97
Changes in other financial liabilities, other liabilities and provisions	1,972.94	4,259.67
Cash generated from operations	**6,733.36**	**6,656.95**
Income taxes (paid)/ refund received, net	(1,440.65)	(1,994.38)
Net cash flows from operating activities (A)	**5,292.71**	**4,662.57**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangible assets	(1,033.00)	(1,040.13)
Proceeds from sale of property plant and equipment	45.67	53.34
Investment in compulsory convertible preference shares	(350.02)	-
Proceeds from disposal of subsidiary, net of related expenses (refer note 6.4)	670.61	647.23

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Investments in mutual fund	(340.00)	-
Proceeds from sale of mutual fund	280.05	484.82
Placement of bank deposits	(184.05)	(514.26)
Redemption of bank deposits	1,250.11	273.46
Interest received on term deposits	135.03	66.39
Others	20.55	6.33
Net cash proceeds/(used) in investing activities (B)	**494.95**	**(22.82)**
Cash flows from financing activities		
Proceeds from long term borrowings	16.97	9.34
Repayments of long term borrowings	(123.43)	(196.85)
Proceeds from working capital loan	75,352.97	35,720.89
Repayments of working capital loan	(76,135.65)	(36,419.63)
Proceeds from/(repayments of) short term borrowings, net	(630.21)	319.66
Payment of stamp duty in relation to merger and issue of shares in earlier year	(125.16)	-
Changes in ownership interest in subsidiary not resulting in loss of control:		
- Contribution by non controlling interest in a subsidiary	-	349.98
- Payment towards acquisition of non-controlling interest	(76.52)	-
Repayment of lease liabilities	(1,912.11)	(1,722.69)
Proceeds from issue of equity shares	2.81	2.38
Dividend paid	(591.20)	(1,774.00)
Payment of dividend to non-controlling interest of subsidiary	(122.71)	(81.12)
Interest paid	(620.79)	(640.01)
Net cash used in financing activities (C)	**(4,965.03)**	**(4,432.05)**
Net increase in cash and cash equivalents (A+B+C)	822.63	207.70
Cash and cash equivalents at the beginning of the year	**4,375.74**	**4,104.66**
Effect of exchange rate fluctuations on cash and cash equivalents	2.88	63.38
Cash and cash equivalents at the end of the year (refer note 13)	**5,201.25**	**4,375.74**

Components of cash and cash equivalents (refer note 13)

(Amount in ₹ millions)

Particulars	As at	
	31 March 2024	31 March 2023
Cash and cash equivalents		
Cash in hand	4.96	8.83
Balances with banks		
In current accounts	5,137.11	4,341.17
In EEFC accounts	45.95	25.74
In deposit accounts (with original maturity of less than 3 months)	13.23	-
Cash and cash equivalents as per consolidated balance sheet	**5,201.25**	**4,375.74**

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ millions)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2023	5,310.81
Interest accrued but not due as at 1 April 2023	4.25
Cash flows	(1,519.34)
Other changes	
- Other borrowing cost	10.36
- Interest expense	613.53
- Interest and other borrowing cost paid	(620.79)
Interest accrued but not due as at 31 March 2024	(6.81)
Borrowings balance of disposed subsidiary (refer note 36(i)	(96.65)
Debt as at 31 March 2024	**3,695.36**

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2022	5,877.41
Interest accrued but not due as at 1 April 2022	19.15
Cash flows	(566.06)
Other changes	
- Other borrowing cost	16.99
- Interest expense	607.58
- Interest and other borrowing cost paid	(640.01)
Interest accrued but not due as at 31 March 2023	(4.25)
Debt as at 31 March 2023	**5,310.81**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

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

Anand Subramanian
Partner
Membership No.: 110815

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 9 May 2024

Place: Bengaluru
Date: 9 May 2024

Place: Bengaluru
Date: 9 May 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(A) Equity share capital

(Amount in ₹ millions)

Particulars	Note	31 March 2024	31 March 2023
Opening balance	18	1,482.29	1,479.91
Changes in equity share capital	18.1	2.80	2.38
Closing balance		**1,485.10**	**1,482.29**

(B) Other equity

(Amount in ₹ millions)

Particulars	Note	Reserves and surplus							Items of other comprehensive income		Total attributable to equity holders of the Company	Attributable to non-controlling interests	Total equity
		Shares application money pending allotment	Securities premium	Retained earnings	Capital reserve	General reserve	Capital redemption reserve	Stock options outstanding account	Foreign currency translation reserve	Others			
Balance as at 1 April 2022		**-**	**16,984.51**	**5,268.33**	**(3.33)**	**21.56**	**150.00**	**393.09**	**369.77**	**(286.29)**	**22,897.64**	**1,309.80**	**24,207.44**
Profit for the year		-	-	2,244.17	-	-	-	-	-	-	2,244.17	(15.08)	2,229.09
Other comprehensive income/(loss) (net of tax)		-	-	-	-	-	-	-	472.56	75.74	548.30	7.79	556.09
Total comprehensive income/(loss)		**-**	**-**	**2,244.17**	**-**	**-**	**-**	**-**	**472.56**	**75.74**	**2,792.47**	**(7.30)**	**2,785.17**
Non-controlling interests on acquisition of subsidiaries	20.4	-	-	-	-	-	-	-	-	-	-	101.95	101.95
Contribution by non controlling interest in a subsidiary	20.3	-	-	-	-	-	-	-	-	-	-	349.98	349.98
Payment of dividend to non-controlling interests	20.1	-	-	-	-	-	-	-	-	-	-	(81.12)	(81.12)
Disposal of a subsidiary	4 (ii)(f)	-	-	-	-	-	-	-	-	-	-	(52.80)	(52.80)
Change in non controlling interest stake											-	-	-
Dividends	51	-	-	(1,777.15)	-	-	-	-	-	-	(1,777.15)	-	(1,777.15)
Equity Settled Share based payments	32	-	-	-	-	-	-	292.26	-	-	292.26	-	292.26
Total		**-**	**-**	**(1,777.15)**	**-**	**-**	**-**	**292.26**	**-**	**-**	**(1,484.89)**	**318.01**	**(1,166.88)**
Balance as at 31 March 2023		**-**	**16,984.51**	**5,735.35**	**(3.33)**	**21.56**	**150.00**	**685.35**	**842.33**	**(210.55)**	**24,205.22**	**1,620.51**	**25,825.73**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(B) Other equity (continued)

(Amount in ₹ millions)

Particulars	Note	Reserves and surplus							Items of other comprehensive income		Total attributable to equity holders of the Company	Attributable to non-controlling interests	Total equity
		Shares application money pending allotment	Securities premium	Retained earnings	Capital reserve	General reserve	Capital redemption reserve	Stock options outstanding account	Foreign currency translation reserve	Others			
Balance as at 1 April 2023		**-**	**16,984.51**	**5,735.35**	**(3.33)**	**21.56**	**150.00**	**685.35**	**842.33**	**(210.55)**	**24,205.22**	**1,620.51**	**25,825.73**
Profit for the year		-	-	2,778.56	-	-	-	-	-	-	2,778.56	25.48	2,804.04
Other comprehensive income (net of tax)		-	-	-	-	-	-	-	(19.12)	(216.89)	(236.01)	(19.20)	(255.21)
Total comprehensive income/ (loss)		**-**	**-**	**2,778.56**	**-**	**-**	**-**	**-**	**(19.12)**	**(216.89)**	**2,542.55**	**6.28**	**2,548.83**
Non-controlling interests on acquisition of a subsidiary	20.4	-	-	-	-	-	-	-	-	-	-	152.02	152.02
Issue of shares pending allotment on exercise of options		0.12	-	-	-	-	-	-	-	-	0.12	-	0.12
Change in non controlling interest stake	20.3	-	-	(160.24)	-	-	-	-	-	-	(160.24)	-	(160.24)
Payment of dividend to non-controlling interests	20.1	-	-	-	-	-	-	-	-	-	-	(122.72)	(122.72)
Reversal of issue cost on demerger of erstwhile subsidiary	19.1	-	211.85	-	-	-	-	-	-	-	211.85	-	211.85
Capitalisation of ESOP expenses of a subsidiary		-	-	-	-	-	-	16.05	-	-	16.05	-	16.05
Conversion of associate company to subsidiary	20.4	-	-	-	22.98	-	-	-	-	-	22.98	-	22.98
Dividends	51	-	-	(593.91)	-	-	-	-	-	-	(593.91)	-	(593.91)
Equity Settled Share based payments	32	-	-	-	-	-	-	260.21	-	-	260.21	-	260.21
Total		**0.12**	**211.85**	**(754.15)**	**22.98**	**-**	**-**	**276.26**	**-**	**-**	**(242.94)**	**29.30**	**(213.64)**
Balance as at 31 March 2024		**0.12**	**17,196.36**	**7,759.76**	**19.65**	**21.56**	**150.00**	**961.61**	**823.21**	**(427.44)**	**26,504.83**	**1,656.09**	**28,160.92**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 9 May 2024

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 9 May 2024

Place: Bengaluru
Date: 9 May 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

1. Company overview

Quess Corp Limited ('the Company'), together with its subsidiaries, collective referred to as the "Group", is a public limited company incorporated and domiciled in India. The registered office of the Company is located in Bengaluru, Karnataka, India. The shares of the company are listed in the Bombay Stock Exchange and National Stock Exchange. These consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint venture. The Group is engaged in the business of providing services in Workforce Management, Operating Asset Management, Global Technology Solutions and Product Led Business.

The consolidated financial statements are approved by the board of directors and authorised for issue in accordance with a resolution of the directors on 09 May 2024.

2. Basis of preparation

2.1 Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments).

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and

iii. Expenses relating to share based payments are measured at fair value on the date of grant.

iv. Contingent consideration in business combinations are measured at fair value.

v. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The material accounting policy information related to preparation of the standalone financial statements have been discussed below.

Going concern:

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as disclosed in Note 47. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Non-controlling interest:

Non-controlling interest ("NCI") which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

In case where the Group has written a put option with NCI in an existing subsidiary on their equity interest in that subsidiary then the Group evaluates access to the returns associated with the ownership interest. In case NCI still have present access to returns associated with the underlying ownership interest, then the Group has elected to account for put option as per the anticipated-acquisition method. Under the anticipated-acquisition method the put option is accounted for as an anticipated acquisition of the underlying NCI. This is independent of how the exercise price is determined (e.g. fixed or variable) and how likely it is that the option will be exercised. Subsequent to initial recognition, any changes in the carrying amount of the put liability is accounted through consolidated statement of profit and loss account.

Change in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Equity accounted investees:

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

Associates are entities over which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases. The Group's investment in equity accounted investees includes goodwill identified on acquisition. When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture. Dividends are recognised when the right to receive payment is established.

2.3 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. The following are the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements:

i) Impairment of non-financial Assets

Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, terminal growth rates and discount rates which are subject to significant judgement. (Refer Note 4(i))

ii) Impairment of financial assets:

The Group recognises loss allowances using the Expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer Note 38(i))

iii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a periodic basis. (Refer Note 45)

iv) Property, plant and equipment and intangible assets:

The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer Note 3 and 5)

v) Income taxes:

Significant judgments are involved in determining provision for income taxes, including (a) the amount claimed for certain deductions under the Income Tax Act, 1961 and (b) expected to be paid or recovered in connection with uncertain tax positions. The ultimate realisation of deferred income tax assets, including Minimum Alternate Tax (MAT), is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer Note 8)

vi) Business Combinations and Intangible assets:

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management. (Refer Note 4(ii)).

2.4 Current and non-current classification

Current and non-current classification: The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for the business activities of the Group covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

2.5 Business Combinations

Business combinations (other than common control business combinations):

In accordance with Ind AS 103, the Group accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent Consideration:

Ind AS 103 requires the contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. These valuations are conducted by external valuation experts.

Business combinations (Common control transactions):

In accordance with Ind AS 103, the Group accounts for common control transaction using pooling of interests method. It is accounted for at carrying value of the assets and liabilities in the Group's consolidated financial statements. The transaction does not have any impact on the consolidated financial statement.

2.6 Foreign currency transactions and balances

The functional currency of Company and its domestic subsidiaries are Indian Rupees (INR). The functional currency of the overseas subsidiaries are its respective local currencies. The consolidated financial statements have been rounded off to the nearest million.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

The assets and liabilities of foreign operations (including goodwill and fair value adjustments arising on acquisition), are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into ₹ at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the consolidated statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.7 Property, plant and equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii) Depreciation:

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Buildings	60 years
Furniture and fixtures	5 years
Vehicles	3-5 years
Office equipment	5 years
Plant and machinery	3 - 8 years
Computer equipment	3-5 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.8 Leases

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases of buildings, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.9 Goodwill

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

2.10 Intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Separately acquired Intangible assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination:

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Others

Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life
Brand	2 - 15 years
Computer software	3 years
Computer software – leased	Lease term or estimated useful life of, whichever is lower
Copyright and trademarks	3 years
Customer contracts	1.5 - 3 years
Customer relationships	5 - 10 years
IP technology	3 years
Non-compete	4 years
Resume database	5 years

2.11 Impairment of non-financial assets

Tangible and Intangible Assets (excluding Goodwill)

At the end of each reporting year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset or the cash generating unit to which the intangible asset is allocated may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss if events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

Cost of material and stores and spare parts consumed includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.14 Dividend

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.15 Share-based payments

Equity instruments granted to the employees of the Group are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

2.16 Earnings per share

Basic earnings per share is computed by dividing the net profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

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2.17Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial instruments are recognised initially at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

1. A financial asset is measured at amortised cost if both the following conditions are met:
   - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
2. A debt investment is measured at FVTOCI if both of the following conditions are met:
   - the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
3. On initial recognition of an equity investment that is not held for trading, the Group irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.
4. All financial assets not classified as amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

   Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.
Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVTOCI recognised	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

(ii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenues based on expected lifetime credit losses at each reporting date after initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Group:

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are

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initially recognised at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amortisation.

(iii) Derecognition

A financial liability is derecognised when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.19 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In determining the fair value of an asset or a liability, the Group uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realised.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments

2.20 Revenue Recognition

The Group derives revenue primarily from staffing services in the segments of Workforce management, Operating asset management, Global Technology Solutions and Product Led Business.

Further, the Group also provides:

- Training and skill development services under the Workforce management segment.
- Call centre services through Conneqt Business Solutions Limited ("Conneqt") under the Global Technology Solutions.
- Payroll services through Allsec Technologies Limited ("Allsec") under the Global Technology Solutions.
- Subscription services relating to Monster.com India Private Limited ("Monster") under the Global Technology Solutions.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from staffing services in the segments of Workforce management, Operating asset management, Global Technology Solutions and Product Led Business is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee model, fixed fee.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers.

Revenue from call centre services in Conneqt and payroll services in Allsec business is recognised over time on satisfaction of performance obligations either based on units of work or time and material.

Subscription revenues in Monster is recognised over time through the period of subscription.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

Other income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.21 Employee benefits

a) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits.

c) Defined contribution plan

Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Group makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's gratuity fund is managed by Life Insurance Corporation of India (LIC), State Bank of India (SBI)), ICICI Prudential, HDFC, Kotak Mahinndra Bank and Yes Bank. The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.22 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.23 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items is disclosed separately as Exceptional items.

2.24 Restructuring Expenses

Restructuring expenses is recognised when the Company develops a detailed formal plan for the restructuring and

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for the year ended 31 March 2024

has raised valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity

2.25 Write offs

The Company writes off a financial asset when there is information indicating that the trade receivables (billed and unbilled) is in severe financial difficulty and there is no realistic prospect of recovery, for example when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.26 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be used. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

Minimum alternative tax ('MAT') paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if it is probable that the Group will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the consolidated balance sheet.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.27 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

2.28 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.29 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments namely Workforce management, Operating asset management, Global technology solutions and Product Led Business.

3 (a) Property, plant and equipment and capital work-in-progress

(Amount in ₹ millions)

Particulars	Land	Buildings	Leasehold improve-ments	Furniture and fixtures	Vehicles	Office equipment	Plant and machinery	Computer equipment	Total Property, plant and equipment	Total Capital work-in-progress
Gross carrying amount as at 1 April 2022	**470.00**	**354.39**	**497.79**	**342.14**	**81.94**	**552.88**	**683.03**	**2,950.09**	**5,932.26**	**-**
Additions through business combination	-	-	-	2.75	-	-	-	0.30	3.05	-
Additions	-	-	164.78	35.63	9.55	48.70	64.50	289.09	612.25	29.43
Disposals	-	-	(244.89)	(40.13)	(19.70)	(88.23)	(3.15)	(179.13)	(575.23)	-
Capitalised during the year	-	-	-	-	-	-	-	28.41	28.41	(28.41)
Translation differences#	-	-	13.93	5.48	-	0.92	-	89.53	109.86	-
Balance as at 31 March 2023	**470.00**	**354.39**	**431.61**	**345.87**	**71.79**	**514.27**	**744.38**	**3,178.29**	**6,110.60**	**1.02**
Additions	-	-	47.70	35.34	24.58	79.81	89.15	308.11	584.69	103.71
Disposals	-	-	(26.26)	(102.67)	(22.00)	(141.33)	(134.91)	(248.37)	(675.53)	(78.78)
Deletions on disposal of subsidiary (refer note 36(i))	-	-	(44.58)	(8.20)	-	(11.43)	(3.22)	(26.78)	(94.22)	-
Translation differences#	-	-	0.64	0.67	-	0.38	0.01	15.84	17.54	0.12
Balance as at 31 March 2024	**470.00**	**354.39**	**409.11**	**271.01**	**74.37**	**441.70**	**695.41**	**3,227.09**	**5,943.08**	**26.07**
Accumulated depreciation as at 1 April 2022	**-**	**36.39**	**426.64**	**276.00**	**58.85**	**421.97**	**530.91**	**2,114.76**	**3,865.53**	**-**
Depreciation for the year	-	5.96	35.53	42.86	9.58	57.17	72.27	389.44	612.81	-
Disposals	-	-	(243.24)	(32.49)	(14.54)	(74.24)	(3.10)	(173.42)	(541.03)	-
Translation differences#	-	-	13.20	3.36	-	2.81	-	62.95	82.32	-
Accumulated depreciation as at 31 March 2023	**-**	**42.35**	**232.13**	**289.73**	**53.89**	**407.71**	**600.08**	**2,393.73**	**4,019.63**	**-**
Depreciation for the year	-	5.96	72.02	23.69	9.01	42.00	82.54	406.85	642.07	-
Disposals	-	-	(26.25)	(97.87)	(21.01)	(132.70)	(97.14)	(244.46)	(619.43)	-
Deletions on disposal of subsidiary (refer note 36(i))	-	-	(33.86)	(7.72)	-	(9.85)	(2.81)	(20.43)	(74.67)	-
Translation differences#	-	-	0.37	0.66	-	0.35	0.01	12.94	14.33	-
Accumulated depreciation as at 31 March 2024	**-**	**48.31**	**244.41**	**208.49**	**41.89**	**307.51**	**582.68**	**2,548.63**	**3,981.93**	**-**
Less: Asset held for sale (refer note 48)	-	-	-	-	-	-	-	(0.78)	(0.78)	-
Net carrying amount										
As at 31 March 2024	**470.00**	**306.08**	**164.70**	**62.52**	**32.48**	**134.19**	**112.73**	**677.68**	**1,960.37**	**26.07**
As at 31 March 2023	**470.00**	**312.04**	**199.48**	**56.14**	**17.90**	**106.56**	**144.30**	**784.56**	**2,090.97**	**1.02**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

#Represents translation of tangible assets of foreign operations into Indian Rupees.

Quess Corp Limited

Notes to the consolidated financial statements for the year ended 31 March 2024

i) The Company and its subsidiaries in India does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The title of the land and building is in the name of Conneqt Business Solutions Limited. As stated in note 36(iv), post merger the Company is in the process of transferring the title to Quess Corp Limited. Where the Company is lessee, the lease agreements are duly executed in favour of the lessee.

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for the year ended 31 March 2024

Description of Property	Description: Land and building located at ICC Devi Gaurav Tech Park, Building office No.301 and 302, Third Floor, Mumbai-Pune Highway, Pimpri, Plot No. 4854, B Wing, Pune, Maharashtra - 411018 Identification number: BP/Pimpri/Layout/46/2007 and BP/Pimpri/Layout/52/2009
Gross carrying value as at March 31, 2024	Land: ₹ 470 million Building: ₹ 354.40 million Total: ₹ 824.40 million
Held in name of	Conneqt Business Solutions Limited (Erstwhile wholly owned subsidiary of the Company)
Whether promoter, director or their relative or employee	No
Period held	Since November 01, 2012, the property is held by Conneqt Business Solutions Limited. Post merger, with effective date of December 1, 2023, and appointed date of April 1, 2021, the property is held by the Company.
Reason	The land and building is registered in the name of Conneqt Business Solutions Limited (erstwhile wholly owned subsidiary of the Company). Following the merger of Conneqt Business Solutions Limited with the Company, the registration process of transfer of name is in progress as on the balance sheet date. Refer to note 36(iv).

Capital work-in-progress ageing schedule for the year ended March 31, 2024 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
As at 31 March 2024	25.62	0.45	-	-	26.07
As at 31 March 2023	1.02	-	-	-	1.02

Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

3 (b) Right-of-use assets

(Amount in ₹ millions)

Particulars	Buildings	Equipment	Total Right-of-use assets
Balance as at 1 April 2022	**2,631.26**	**284.87**	**2,916.13**
Additions	2,684.26	370.13	3,054.39
Disposals	(125.25)	(0.47)	(125.72)
Depreciation for the year	(1,254.20)	(234.29)	(1,488.49)
Translation differences#	8.07	1.09	9.16
Balance as at 31 March 2023	**3,944.14**	**421.33**	**4,365.47**
Additions	1,580.61	8.57	1,589.18
Disposals	(70.80)	-	(70.80)
Deletions on sale of subsidiary (refer note 36(i))	(73.01)	-	(73.01)
Depreciation for the year	(1,424.01)	(166.31)	(1,590.32)
Translation differences#	0.15	(0.01)	0.14
Balance as at 31 March 2024	**3,957.08**	**263.58**	**4,220.66**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

#Represents translation of right-of-use assets of foreign subsidiaries into Indian Rupees.

3 (c) Lease liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	3,258.60	3,379.30
Current lease liabilities	1,427.18	1,423.23
	4,685.78	**4,802.53**

The following is the movement in lease liabilities:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	4,802.53	3,268.64
Add: Additions	1,527.46	3,016.42
Less: Disposals	(127.57)	(205.35)
Less: Deletion on sale of subsidiary (refer note 36(i))	(74.12)	-
Add: Finance cost accrued during the period	469.13	440.57
Less: Payment of lease obligation	(1,912.11)	(1,722.69)
Translation differences*	0.47	4.93
Carrying amount	**4,685.78**	**4,802.53**

*Represents translation of right-of-use assets of foreign subsidiaries into Indian Rupees.

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 and 31 March 2023 on an undiscounted basis:

(Amount in ₹ millions)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Less than one year	1,787.20	1,774.86
One to five years	3,442.29	3,351.72
More than five years	907.22	534.75

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for the year ended 31 March 2024

4 Goodwill

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Carrying value at the beginning of the year	10,427.46	10,095.91
Add: Goodwill on acquisition of:		
Heptagon Technologies Private Limited [refer note 4 (ii) (d)]	-	70.42
Stellarslog Technovation Private Limited [refer note 4 (ii) (c)]	-	79.05
Less: Goodwill reversal on sale of:		
Qdigi Services Private Limited [refer note 4 (ii) (e)]	(190.86)	-
Simpliance Technologies Private Limited [refer note 4 (ii) (f)]	-	(52.74)
Less: Impairment charge [refer note 4 (i)]		
Stellarslog Technovation Private Limited [refer note 4 (ii) (a)]	(15.87)	-
Heptagon Technologies Private Limited [refer note 4 (ii) (b)]	(189.35)	-
Others*	(10.33)	-
Translation differences	17.58	234.82
Carrying value at the end of the year	**10,038.63**	**10,427.46**

*During the year ended 31 March 2024, the Company assessed recoverable value of certain business transfer asset and recognised an impairment of ₹ 10.33 million which is disclosed under exceptional item.

The allocation of goodwill to the operating segments is as follows: (Amount in ₹ millions)

Operating segments	As at 31 March 2024	As at 31 March 2023
Workforce management	2,647.65	2,651.09
Operating asset management	4,565.48	4,570.00
Global Technology Solutions	1,783.08	1,964.15
Product led business	1,042.42	1,242.22
Carrying value of Goodwill at the end of the year	**10,038.63**	**10,427.46**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to a cash generating unit (CGU), which benefits from synergies of the acquisitions. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level.

4 (i) Impairment testing

The Group tests goodwill for impairment annually on 31 December or more frequently based on an impairment indicator. Impairment is determined by assessing the recoverable amount of cash generating unit ("CGU") (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. The recoverable amount is determined based on higher of value-in-use and fair value less cost of sale of CGU. Value-in-use is calculated using a discounted cash flow approach.

During the year ended 31 March 2024, the Group assessed the recoverable amount of the Monster Group CGU using a market approach based on revenue multiples derived from a set of comparable companies, considering its initial stage of Foundit business.

The Group assessed the recoverable amount of Allsec Technologies Limited CGU based on fair value less cost of sale of CGU, which is measured using a quoted price.

The range of other key assumptions used by the Group for impairment assessment using discounted cash flow approach are captured in the table below:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate (pre-tax)	13.41% - 28.58%	15.37% - 28.86%
Terminal growth rate	2.00% - 4.00%	2.00% - 4.50%
Revenue growth	2% - 32.8%	5% - 61.55%
Operating margins	3.32%-16.56%	0.53% - 30%

As at 31 March 2024, the estimated recoverable value of each of the CGUs exceeded its carrying amount and hence impairment is not triggered. The carrying amount of the CGU was computed by allocating the net assets to CGUs for the purpose of impairment testing.

The discount rate used in the discounted cash flow approach is the risk adjusted weighted average cost of capital applicable to respective CGUs. The cash flow projections used for assessing the 'value in use' are based on the most recent long-term forecast approved by management. The long-term forecast includes management's latest estimate on Revenues and Operating cash flows. The period of projections is for five years and based on financial budgets/ forecasts which considers historical experience adjusted for uncertainties applicable for respective CGUs. The cash flows beyond the forecast period are extrapolated using appropriate long term terminal growth rates. The long term terminal growth rates used do not exceed the long-term average growth rates of the respective industry and country in which the CGU operates and are consistent with internal/external sources of information.

The growth in revenue and operating margins have been estimated based on historical trends and future market expectations specific to each CGU.

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st March, 2024:

CGU	Pre-tax discount rate	Terminal growth rate
Integrated Facility Management (IFM)	22.65%	4.00%
MFXchange Holdings Inc.	18.60%	2.00%
Vedang Cellular Services Private Limited	28.58%	4.00%
Brainhunter Systems Ltd.	17.54%	2.00%
Quess Singapore Pte. Ltd.	13.41%	2.00%
Magna*	27.17%	4.00%
Conneqt Business Solution Limited*	26.93%	4.00%

*Division of parent entity, Quess Corp Limited.

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st March, 2023:

CGU	Pre-tax discount rate	Terminal growth rate
Integrated Facility Management (IFM)	21.40%	4.00%
MFXchange Holdings Inc.	23.52%	2.00%
Vedang Cellular Services Private Limited	28.86%	4.00%
Brainhunter Systems Ltd.	20.40%	2.00%
Quess Singapore Pte. Ltd.	15.37%	2.00%
Qdigi Services Limited	28.20%	4.00%
Magna*	27.16%	4.00%
Monster Group	27.81%	4.50%
Conneqt Business Solution Limited*	27.56%	4.00%

*Division of parent entity, Quess Corp Limited.

Sensitivity to changes in assumptions

Any reasonable possible change in the key assumptions will not result into an impairment for these significant CGUs specified above.

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for the year ended 31 March 2024

4 (ii) Business combinations:

(a) Impairment charge of Stellarslog Technovation Private Limited

During the year ended 31 March 2024, the company reassessed the recoverable value of Stellarslog Techonovation Private Limited ("SLPL") and recognised goodwill impairment of ₹ 15.87 million, disclosed in exceptional item.

(b) Impairment charge of Heptagon Technologies Private Limited

During the year ended 31 March 2024, pursuant to internal restructuring, business contracts and employees of Heptagon Technologies ("Heptagon"), a subsidiary of the Company, are being novated/transferred to the Company and other subsidiaries of the Group. Therefore, the Company recorded an impairment relating to goodwill and other asset of ₹ 189.35 million during the year, disclosed in exceptional item.

(c) Acquisition of Stellarslog Technovation Private Limited

On 7 April 2022, the Company acquired additional 4.91% stake in Stellarslog Technovation Private Limited ("SLPL") for a purchase consideration of ₹ 38.36 million. The existing 49% stake in SLPL was acquired for a purchase consideration for ₹ 100 million. Consequent to the additional 4.91% acquisition, the total shareholding in SLPL has increased from 49.00% to 53.91% and SLPL has become subsidiary of the Company. The purchase consideration of ₹ 138.36 million was settled by paying cash. The final allocation of the fair values of identifiable assets and liabilities are as follows:

(Amount in ₹ millions)

Particulars	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	3.05	-	3.05
Income tax assets (net)	2.23	-	2.23
Other non-current assets	0.74	-	0.74
Other current assets	69.99	-	69.99
Trade receivables	29.60	-	29.60
Borrowings and lease liabilities	(4.79)	-	(4.79)
Financial liabilities	(23.83)	-	(23.83)
Other current liabilities	(8.59)	-	(8.59)
Total	**68.40**	**-**	**68.40**
Goodwill			79.05
Non controlling interest			(31.53)
Purchase consideration			**115.92**
Satisfied by:			
Cash			38.36
Fair value of originally retained interest			77.56
Total consideration transferred			**115.92**

During the year ended 31 March, 2024 , the Company acquired remaining 46.09% stake in SLPL for purchase consideration of ₹ 72 million (loan of ₹ 68 million is converted to equity and ₹ 4 million is paid to the promoters of the SLPL). Consequent to the acquisition, SLPL has become a wholly owned subsidiary of the Group.

Particulars	(Amount in ₹ millions)
Non controlling interest as on date of acquisition	(32.61)
Consideration transferred in cash to promoters and conversion of loan	(72.00)
Loan converted to equity	68.00
Retained earning	**(36.61)**

(d) Acquisition of Heptagon Technologies Private Limited

During the year ended 31 March 2022, the Company had acquired additional 11.67% stake in Heptagon Technologies Private Limited (""HTPL"") for a purchase consideration of ₹ 130 million. Consequent to the additional 11.67% acquisition, the total shareholding in HTPL had increased from 49.00% to 60.67% and HTPL has become subsidiary of the Company.

During the year ended 31 March 2024, the Company acquired remaining stake in HTPL from promoters for a purchase consideration of ₹ 15 million which was settled by paying upfront cash consideration of ₹ 12 million and ₹ 3 million will be contingent consideration and will be paid as after fulfilment of conditions by promoters as set out in the scheme. Consequently HTPL has become wholly owned subsidiary of the Company.

Particulars	(Amount in ₹ millions)
Non controlling interest as on date of acquisition	(108.64)
Consideration transferred in cash to promoters and conversion of loan	(15.00)
Retained earning	**(123.64)**

(e) Sale of Qdigi Services Private Limited

During the year ended 31 March 2024, the Company sold its equity stake in Qdigi Services Limited (Qdigi) to Onsite Electro Services Limited (Onsite) for a consideration of ₹ 746 million (cash consideration of ₹ 396 million and equity consideration of ₹ 350 million) resulting in a gain of ₹ 389.61 million. The gain is net of transaction cost of ₹ 27.26 Million. The equity consideration aggregating to 2.5% in Onsite is measured at fair value through other comprehensive income. Out of the cash consideration, ₹ 46 million will be received subject to closing conditions.

Particulars	(Amount in ₹ millions)
Sale consideration	744.55
Carrying amount as on 31 March 2024 (includes goodwill ₹ 190.86 million)	(329.11)
Transaction cost	(27.95)
Gain on sale of Qdigi	**387.50**

(f) Sale of Simpliance Technologies Private Limited

During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a enterprise value of ₹ 1,222.40 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee Company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to ₹ 535.68 million is disclosed as exceptional item during the year ended 31 March 2023.

Particulars	(Amount in ₹ millions)
Sale consideration	647.87
Carrying amount	(112.90)
Goodwill	(52.74)
Non controlling interest	52.80
Gain on sale of Simpliance	**535.03**

5 Other intangible assets and intangible assets under development

(Amount in ₹ millions)

Particulars	Other intangible assets								Intangible assets under development
	Brand	Customer relationships	Computer software ##	Computer software leased	Copyright and trademarks	IP technology	Resume database	Total other intangible assets	
Gross carrying amount as at 1 April 2022	**62.98**	**3,384.74**	**1,723.40**	**62.08**	**0.48**	**56.16**	**113.27**	**5,495.42**	**153.14**
Additions	-	-	161.42	-	3.50	4.72	-	169.64	60.42
Disposals	-	-	(45.01)	-	(0.01)	-	-	(45.02)	-
Capitalised during the year	-	-	13.73	-	-	4.67	-	18.40	(18.40)
Translation differences#	1.28	102.74	271.24	5.22	-	-	1.51	376.98	-
Balance as at 31 March 2023	**64.26**	**3,487.48**	**2,124.78**	**67.30**	**3.97**	**65.55**	**114.78**	**6,015.42**	**195.16**
Additions	-	-	280.73	-	-	-	-	280.73	302.51
Disposals	-	(0.00)	(96.75)	-	-	(34.43)	-	(131.18)	(183.03)
Deletions on disposal of subsidiary (refer note 36(i))	-	(7.64)	(33.93)	-	-	-	-	(41.57)	(0.08)
Translation differences#	0.15	(1.10)	52.52	1.01	(0.03)	-	-	52.55	(0.01)
Balance as at 31 March 2024	**64.41**	**3,478.74**	**2,327.35**	**68.31**	**3.94**	**31.12**	**114.78**	**6,175.95**	**314.55**
Accumulated amortisation and impairment as at 1 April 2022	**47.42**	**2,233.90**	**1,438.13**	**58.65**	**0.48**	**41.64**	**93.40**	**4,005.16**	**-**
Amortisation and impairment for the year*	14.77	420.43	169.02	-	0.16	6.33	19.06	629.77	15.05
Disposals	-	-	(27.61)	-	-	-	-	(27.61)	-
Translation differences#	0.72	63.61	268.31	4.93	-	-	1.03	334.36	-
Accumulated amortisation as at 31 March 2023	**62.91**	**2,717.94**	**1,847.85**	**63.58**	**0.64**	**47.97**	**113.49**	**4,941.68**	**15.05**
Amortisation and impairement for the year	-	409.83	183.06	-	-	6.67	-	599.56	-
Disposals	-	(0.00)	(96.30)	-	-	(23.52)	-	(119.83)	-
Deletions on disposal of subsidiary (refer note 36(i))	-	(7.64)	(22.64)	-	-	-	-	(30.27)	-
Translation differences#	0.08	(0.81)	51.65	0.96	-	-	-	51.88	-
Accumulated amortisation and impairment as at 31 March 2024	**62.99**	**3,119.32**	**1,963.62**	**64.54**	**0.64**	**31.12**	**113.49**	**5,443.02**	**15.05**
Net carrying amount								-	
As at 31 March 2024	**1.42**	**359.42**	**363.73**	**3.77**	**3.30**	**-**	**1.29**	**732.93**	**299.50**
As at 31 March 2023	**1.35**	**769.54**	**276.93**	**3.72**	**3.33**	**17.58**	**1.29**	**1,073.74**	**180.11**

The aggregate amortisation has been included under depreciation and amortisation expense in the statement of profit and loss.

*includes impairment of intangible for ₹ 15.05 million.

#Represents translation of intangible assets of foreign operations into Indian Rupees.

Computer software consists of capitalised development costs being an internally generated intangible asset.

5.1 Intangible assets under development aging schedule: (Amount in ₹ millions)

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1 - 2 years	2 - 3 years	Total
Projects in progress				
As at 31 March 2024	299.50	-	-	299.50
As at 31 March 2023	60.42	119.69	-	180.11

(i) Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

(ii) The Group does not have any projects which are temporarily suspended.

(iii) The Group does not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

6 Investments accounted for using the equity method and non-current investments (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted		
Investments accounted for using the equity method		
Interest in associates (refer note A below)	-	10.86
	-	**10.86**
Aggregate value of unquoted investments	**-**	**10.86**
Aggregate amount of impairment in value of investments	**-**	**-**

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted		
Investment carried at fair value through other comprehensive income		
Investments in equity instruments		
200,000 (31 March 2023: 200,000) fully paid up equity shares of par value of ₹ 10.00 each of KMG Infotech Limited	16.55	16.55
Investment in compulsory convertible preference share		
56,500 (31 March 2023: Nil) fully paid up compulsorily convertible preference shares of ₹ 6,195 each of Onsite Electro Services Private Limited (refer note 6.4)	350.02	-
Aggregate value of unquoted investments	**366.57**	**16.55**
Aggregate amount of impairment in value of investments	**366.57**	**16.55**

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for the year ended 31 March 2024

(Amount in ₹ millions)

A	Particulars	As at 31 March 2024	As at 31 March 2023
	Investments accounted for using the equity method		
	Investment in associates (refer note B below)		
	Investment in equity instruments		
	Nil (31 March 2023: 2,500) fully paid up equity shares of par value of Peso 100.00 (INR 1.24 per Peso) each of Quess Recruit, Inc.(refer note 6.2)	-	10.86
		-	**10.86**
	Investment in joint venture		
	49,000 (31 March 2023: 49,000) fully paid up equity shares of par value of 1.00 RM each of Himmer Industrial Services (M) SDN BHD (refer note 6.3)	-	-
	Total Investments accounted for using the equity method	**-**	**10.86**

(B) Details of non-current investments made and sold during the current year:

Investment in associates:

Particulars	Quess Recruit, Inc.
Opening balance as at 1 April 2023	**10.86**
Purchased during the year	-
Converted to Subsidiary	**(10.86)**
Sold during the year	-
Closing balance as at 31 March 2024	**-**

6.1 The Company through its wholly owned subsidiary Quessglobal (Malaysia) SDN. BHD.(QUMB) had subscribed to 122,500 shares with par value of RM 1 each, equivalent to 49.00% of the share capital of Agency Pekerjaan Quess Recruit SDN. BHD. ("APKR"), for a consideration of RM 122,500 (INR equivalent 2.06 million) which was fully impaired. However, during the current year QUMB acquired an additional 127,500 ordinary shares (representing 51% equity interest which was previously held by QUMB directors out of funds/loans granted by QUMB) by way of trust arrangement in APKR at a price of RM1.00 per share leading to conversion of associate into subsidiary.

6.2 The Company through its wholly owned subsidiary Quess (Philippines) Corp.("QUPC") had subscribed to 2,500 shares with par value of Peso 100 each, equivalent to 25.00% of the share capital of Quess recruit Inc. ("QREC"), for a consideration of RM 250,000 . During the year ended 31 March 2024, declaration of trust and undertaking is executed between QUPC and other two shareholders of QREC, holding 50% of the stake in QREC, that these shareholder hold the shares in Company in trust for QUPC who is actual and beneficial owner thereof. Therefore, majority control (75%)of the Company is with QUPC which is wholly owned subsidiary of the Group. Hence, QREC is considered as subsidiary from 1 January 2024.

6.3 The Group had 49.00% equity stake in Himmer Industrial Services (M) SDN. BHD ("Himmer"). Considering provisions of the agreement, the Group has classified investment in Himmer as joint venture as per Ind AS 111, Joint Arrangements . During the year ended 31 March 2024, the Companies Comission of Malaysia has dissolved the entity w.e.f. 4 March 2024.

6.4 During the year ended 31 March 2024, the Company has divested its entire equity stake in Qdigi Services limited (Digi) a wholly owned subsidiary of the Company to Onsite Electro Services Private Limited (""Onsite"") w.e.f. 31 March 2024 for a consideration of ₹ 696 million out of which ₹ 650 million is paid upfront and there is holdback amount of ₹ 46 million which will be paid as per the conditions set out in the Share purchase and Investment agreement dated 6 February 2024 with Onsite. The Company has also invested ₹ 350 million for subscription of 56,500 compulsorily convertible preference shares of Onsite pursuant to Share Purchase and Investment Agreement.

7 Other non-current financial assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits*	1,042.24	871.09
Less : Loss Allowances	-	(2.49)
	1,042.24	868.60
Bank deposits (due to mature after 12 months from the reporting date)**	202.92	287.04
Indemnification assets***	443.34	443.34
Insurance recoverable	192.10	156.86
	1,880.60	**1,755.84**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Bank deposits to the tune of ₹ 198.75 million (31 March 2023: ₹ 283.34 million) are lien marked against borrowings and guarantees.

***As per the Share Purchase Agreement (''SPA'') and Share Holders Agreement ("SHA") dated 20 November 2017 with Conneqt Business Solutions Limited (formerly a subsidiary of the Group merged w.e.f 1 December 2023, and appointed date of April 1, 2021) and its shareholders, the Company will be indemnified for any future cash outflow on account of specific indirect tax claim which is existing as on the original date of acquisition . The claim is recognised as provision for expenses in the financial statements by recognising an equal amount as indemnification assets as part of the business combination when Conneqt Business Solutions Limited was originally acquired by the Group dated November 27, 2017.

8 Taxes

A Amount recognised in profit or loss

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current tax:		
In respect of the current year	(518.40)	(843.35)
Excess (provision)/reversal related to prior years	(0.69)	55.90
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	370.96	172.90
Income tax expense reported in the Consolidated Statement of Profit and Loss	**(148.13)**	**(614.55)**

B Income tax recognised in other comprehensive income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Re-measurement (loss)/gain on defined benefit plans		
Re-measurement (loss)/income on defined benefit plans before tax	(318.24)	106.61
Tax credit/ (expense)	81.75	(24.63)
Net of tax	**(236.49)**	**81.98**

C Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

D Reconciliation of effective tax rate

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for the year ended 31 March 2024

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Profit before tax	2,953.06	2,843.64
Tax using the Company's domestic tax rate of 25.168% (31 March 2023: 25.168%)	(743.23)	(715.69)
Effect of:		
Non-deductible expenses	(80.27)	(82.30)
80JJAA tax incentives	1,047.45	302.95
Difference in enacted tax rate and carry forward losses	(348.80)	(232.38)
Effect of tax benefit relating to merger of Conneqt, MFX and Greenpiece	576.66	-
Others*	(599.95)	112.85
Income tax expense reported in the Consolidated Statement of profit and loss	**(148.13)**	**(614.57)**

*Includes effect of provisions relating to earlier years

E The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	6,171.96	5,599.44
Income tax liabilities	(1,044.63)	(694.92)
Net income tax assets at the end of the year*	**5,127.33**	**4,904.52**

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	456.31	305.45
Income tax liabilities	(661.30)	(998.68)
Net income tax liabilities at the end of the year*	**(204.99)**	**(693.23)**

* The net income tax assets and net income tax liabilities are presented based on respective assessement years for which income tax is determined.

F Deferred tax assets (net) and Deferred tax liabilities (net)

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Impairment loss allowance on financial assets	667.93	504.89
Provision for employee benefits	986.49	830.16
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	-	22.48
Property, plant and equipment and intangible assets	137.72	92.39
MAT credit entitlement	14.85	14.85
Brought forward losses and unabsorbed depreciation	116.54	198.15
Right-of-use assets and related lease liabilities	87.77	62.46
Others	210.20	151.83
Deferred tax assets	**2,221.51**	**1,877.21**
Deferred tax liabilities:		
Intangibles recognised on Purchase price allocation	(18.40)	(114.00)
Goodwill on merger	(699.10)	(699.10)
	(717.50)	**(813.10)**
Deferred tax assets (net)	**1,504.01**	**1,064.11**

The movement of deferred tax aggregating to ₹ 439.90 million for the year ended 31 March 2024 [31 March 2023: ₹ 148.27 million] comprises of ₹ 370.96 million [31 March 2023: ₹ 172.90 million] credited to statement of profit and loss, ₹ 81.75 million [31 March 2023: ₹ 24.63 million] recognised in other comprehensive income and ₹ 12.81 million reduced on account of disposal of subsidiary.

G Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

(Amount in ₹ millions)

For the year ended 31 March 2024	Opening balance	Deletions on disposal of subsidiary*	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets:					
Expected credit loss allowance on financial assets	504.89	-	163.04	-	667.93
Provision for employee benefits	830.16	-	74.58	81.75	986.49
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	22.48	-	(22.48)	-	-
Property, plant and equipment and intangible assets	92.39	-	45.33	-	137.72
MAT credit entitlement	14.85	-	-	-	14.85
Brought forward losses and unabsorbed depreciation	198.15	-	(81.61)	-	116.54
Right-of-use assets and related lease liabilities	62.46	-	25.32	-	87.77
Others	151.83	(12.81)	71.18	-	210.20
	1,877.21	**(12.81)**	**275.36**	**81.75**	**2,221.51**
Deferred tax liabilities:					
Intangibles recognised on Purchase price allocation	(114.00)	-	95.60	-	(18.40)
Goodwill on merger	(699.10)		-	-	(699.10)
	(813.10)	**-**	**95.60**	**-**	**(717.50)**
Deferred tax assets (net)	**1,064.11**	**(12.81)**	**370.96**	**81.75**	**1,504.01**

* refer note 36(i)

(Amount in ₹ millions)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

For the year ended 31 March 2023	Opening balance	Deletions on disposal of subsidiary*	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets:					
Expected credit loss allowance on financial assets	377.65	-	127.24	-	504.89
Provision for employee benefits	719.47	-	135.32	(24.63)	830.16
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	182.82	-	(160.33)	-	22.48
Property, plant and equipment and intangible assets	69.72	-	22.67	-	92.39
MAT credit entitlement	24.00	-	(9.15)	-	14.85
Brought forward losses and unabsorbed depreciation	184.59	-	13.56	-	198.15
Lease liabilities	40.26	-	22.20	-	62.46
Others	130.43	-	21.39	-	151.83
	1,728.94	**-**	**172.90**	**(24.63)**	**1,877.21**
Deferred tax liabilities:					
Intangibles recognised on Purchase price allocation	(114.00)	-	-	-	(114.00)
Goodwill on merger	(699.10)	-	-	-	(699.10)
	(813.10)	**-**	**-**	**-**	**(813.10)**
Deferred tax assets (net)	**915.84**	**-**	**172.90**	**(24.63)**	**1,064.11**

H Unrecognised deferred tax assets/ (liabilities)

The Group does not have unrecognised deferred tax liabilities.

Unrecognised deferred tax assets related primarily to business losses. These unexpired business losses will expire based on the year of origination as follows:

(Amount in ₹ millions)

As at 31 March 2024	Unabsorbed business losses
2025	5.51
2026	6.13
2027	7.35
2028	9.19
2029	10.42
Thereafter	172.15
	210.75

(Amount in ₹ millions)

As at 31 March 2023	Unabsorbed business losses
2024	4.25
2025	5.46
2026	6.07
2027	7.28
2028	45.28
Thereafter	348.25
	416.59

9 Other non-current assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	39.45	10.55
Taxes paid under protest	339.59	63.16
Provident fund payments made under protest (refer note 27.1)	10.72	10.72
Balances with government authorities	68.91	62.57
Prepaid expenses	130.86	51.78
	589.53	**198.79**

10 Inventories

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Valued at lower of cost and net realizable value		
Raw material and consumables	50.94	51.98
Stores and spares	20.34	229.59
	71.28	**281.57**

11 Current investments

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Quoted		
Investments at fair value through profit or loss		
Investments in liquid mutual fund units	562.79	467.79
	562.79	**467.79**

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Details of investments in liquid mutual fund units

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
10,08,604 units (March 2023: 10,08,604 units) HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	46.25	42.70
19,823 units (March 2023: 19,823 units) ICICI Prudential Savings Fund - Growth	9.78	9.10
5,15,558 units (March 2023: 26,95,684 units) Kotak Banking & PSU Debt Fund Direct Growth	31.63	148.79
3,707 units (March 2023: 3,707 units) UTI Treasury Advantage Fund - Direct Growth Plan Growth	12.13	11.30
15,25,236 units (March 2023: 15,25,236 units) ICICI Prudential Short Term Fund - Growth	83.03	77.10
17,86,852 units (March 2023: 17,86,852 units) ICICI Prudential Banking & PSU Debt Fund Growth	52.99	49.20
17,563 units (March 2023: Nil units) SBI Liquid Fund Direct Growth	66.38	-
6,567 units (March 2023: Nil units) SBI Overnight Fund Direct Growth	25.58	-
9,733 units (March 2023: Nil units) HDFC Liquid Fund - Direct Plan - Growth	46.17	-
8,640 units (March 2023: Nil units) HDFC Overnight Fund - Direct Plan - Growth	30.70	-
1,29,206 units (March 2023: Nil units) ICICI Prudential Liquid Fund - Direct Plan - Growth	46.18	-
23,792 units (March 2023: Nil units) ICICI Prudential Overnight Fund Direct Plan - Growth	30.70	-
24,246 units (March 2023: Nil units) Axis Overnight Fund Direct Growth	30.71	-
6,379 units (March 2023: Nil units) UTI Liquid Fund - Direct Plan Growth	25.26	-
Nil units (March 2023: 32,66,716 units) HDFC Ultra Short Term Fund – Direct Growth	-	42.80
50,646 units (March 2023: 1,87,596 units) ICICI Prudential Savings Fund - Direct Plan - Growth	25.30	86.80
	562.79	**467.79**
Aggregate amount of quoted investments	**562.79**	**467.79**
Aggregate market value of quoted investments	**562.79**	**467.79**

12 i) Trade receivables - billed (unsecured)

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed Trade receivables- Considered good	16,475.17	15,494.90
Less: Allowance for expected credit loss	(1,026.62)	(641.63)
Undisputed trade receivable - considered good	**15,448.55**	**14,853.27**
Undisputed Trade receivables- Credit impaired	1,336.16	1,216.96
Less: Allowance for expected credit loss	(1,336.16)	(1,216.96)
Undisputed trade receivable - credit impaired	-	-
Disputed Trade Receivable - credit impaired	165.48	192.67
Less: Allowance for expected credit loss	(165.48)	(192.67)
Disputed trade receivable billed	-	-
Less: Trade receivable related to asset held for sale (refer note 48)	(60.26)	-
Total trade receivables - billed	**15,388.29**	**14,853.27**

ii) Trade receivables - unbilled

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables - unbilled - unsecured	13,606.10	12,685.84
Less: Allowance for expected credit losses	(1,254.06)	(653.20)
Less: Unbilled revenue related to asset held for sale (refer note 48)	(19.04)	-
Total trade receivables - unbilled	**12,333.00**	**12,032.64**

The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 38.

Trade receivables ageing schedule as on 31 March 2024 and 31 March 2023:

(Amount in ₹ millions)

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables-considered good								
As at 31 March 2024	13,587.06	10,655.67	4,058.75	842.19	426.99	112.94	376.95	**30,060.57**
As at 31 March 2023	12,685.84	7,738.41	6,543.98	656.92	209.25	(2.23)*	348.57	**28,180.74**
Undisputed Trade receivables – credit impaired								
As at 31 March 2024	-	16.86	33.07	25.00	144.78	(133.78)*	1,250.22	**1,336.16**
As at 31 March 2023	-	-	-	36.36	(71.32)*	73.85	1,178.07	**1,216.96**
Disputed Trade receivables – credit impaired								
As at 31 March 2024	-	8.70	4.60	5.90	5.20	1.60	139.48	**165.48**
As at 31 March 2023	-	-	-	1.00	1.00	3.00	187.67	**192.67**
Total								
As at 31 March 2024	13,587.06	10,681.23	4,096.43	873.09	576.97	(19.24)	1,766.65	**31,562.20**
As at 31 March 2023	12,685.84	7,738.41	6,543.98	694.28	138.93	74.61	1,714.31	**29,590.37**
Less: Allowance for Credit Loss								
As at 31 March 2024								**3,782.32**
As at 31 March 2023								**2,704.46**
Total Trade Receivable								
As at 31 March 2024								**27,779.88**
As at 31 March 2023								**26,885.90**

* Net negative balances in the ageing is because of unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices from customers. These credits and collections are considered in determining expected credit loss allowance for customers.

Undisputed trade receivables (billed) – considered good, includes receivables from government customers outstanding for more than one year ₹ 1,109.21 millions (31 March 2023: ₹ 834.53 millions)

Undisputed trade receivables (unbilled)– considered good, includes unbilled receivables from government customers aged more than one year ₹ 2,232.17 millions (31 March 2023: ₹ 1,781.22 millions)

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13 Cash and cash equivalents

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Cash in hand	4.96	8.83
Balances with banks		
In current accounts	5,137.11	4,341.17
In EEFC accounts	45.95	25.74
In deposit accounts (with original maturity of less than 3 months)	13.23	-
Cash and cash equivalents as per consolidated statement of cash flows	**5,201.25**	**4,375.74**

14 Bank balances other than cash and cash equivalents

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
In deposit accounts (maturity within 12 months from the reporting date)*	241.77	1,257.08
Earmarked balances with banks**	9.62	28.26
	251.39	**1,285.34**

*Fixed deposits to the tune of ₹ 199.17 million (31 March 2023: ₹ 460.19 million) are lien marked against borrowings.

**Earmarked balances with banks primarily relates to unpaid dividend and CSR unspent amount for year ended 31 March 2024.

15 Current loans

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Loans to employees	8.65	36.79
	8.65	**36.79**

16 Other current financial assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits*	164.08	146.93
Interest accrued but not due	32.18	65.80
Foreign currency forward contracts	1.92	0.90
Receivable on account of sale of Qdigi (refer note 36(i))	46	-
	244.18	**213.63**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

17 Other current assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	955.23	860.32
Advances to suppliers	409.68	323.55
Travel advances to employees	17.16	10.08
Balances with government authorities	205.00	220.64
Other advances	76.25	136.92
	1,663.32	**1,551.51**

18 Equity share capital

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
393,850,000 (31 March 2023: 200,000,000) equity shares of par value of ₹ 10.00 each *	3,938.50	2,000.00
	3,938.50	**2,000.00**
Issued, subscribed and paid-up		
148,509,384 (31 March 2023: 148,229,488) equity shares of par value of ₹ 10.00 each, fully paid up	1,485.10	1,482.29
	1,485.10	**1,482.29**

* During the year ended 31 March 2024, pursuant to merger, the authorised share capital of the Company has increased from ₹ 2,000 million divided into 200,000,000 equity shares of ₹ 10 each to ₹ 3,938.50 million divided into 393,850,000 equity shares of ₹ 10 each. (Refer note 36(iv))

18.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(Amount in ₹ millions except number of shares)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount in ₹ millions	Number of shares	Amount in ₹ millions
Equity shares				
At the commencement of the year	14,82,29,488	1,482.29	147,990,557	1,479.91
Add: Shares issued on exercise of employee stock options (refer note 46)	2,79,896	2.80	2,38,931	2.38
At the end of the year	**14,85,09,384**	**1,485.09**	**14,82,29,488**	**1,482.29**

18.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity share holders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to the share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

18.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Holding (%)	Number of shares	Holding (%)
Equity shares				
Equity shares of par value ₹ 10.00 each				
Fairbridge Capital (Mauritius) Limited	5,04,76,237	33.99%	5,04,76,237	34.05%
Ajit Isaac	1,75,19,613	11.80%	1,75,19,613	11.82%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	1,53,65,824	10.35%	1,53,65,824	10.37%

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18.4 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date. However the Company has issued equity shares under Employee Stock Option Plan for which only exercise price has been received in cash as below.

(Values in numbers)

Particulars	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Shares issued on exercise of employee stock options (refer note 47)	2,79,896	2,38,931	311,693	168,170	538,680

18.5 Details of shareholding of promoters/promoter group:

Promoter name	31 March 2024		31 March 2023		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	1,75,19,613	11.80%	1,75,19,613	11.82%	-0.02%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	1,53,65,824	10.35%	1,53,65,824	10.37%	-0.02%
Fairbridge Capital Mauritius Limited	5,04,76,237	33.99%	5,04,76,237	34.05%	-0.06%
Hwic Asia Fund Class A Shares	7,48,100	0.50%	7,48,100	0.50%	0.00%

19 Other equity* (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium (refer note 19.1)	17,196.36	16,984.51
Share application money pending allotment	0.12	-
Stock options outstanding account (refer note 19.2)	961.61	685.35
Foreign currency translation reserve (refer note 19.3)	823.36	842.33
Capital reserve (refer note 19.4)	19.65	(3.33)
General reserve	21.56	21.56
Other comprehensive loss (excluding foreign currency translation reserve) [refer note 19.5]	(427.59)	(210.55)
Capital redemption reserve (refer note 19.6)	150.00	150.00
Retained earnings (refer note 19.8)	7,759.76	5,735.35
	26,504.83	**24,205.22**

* For detailed movement of reserves refer Consolidated Statement of Changes in Equity.

19.1 Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. The utilisation of the securities premium will be in accordance with the provisions of the Companies Act, 2013.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	16,984.51	16,984.51
Add: Reversal of issue cost on demerger of TCIL*	211.85	-
Balance as at the end of the year	**17,196.36**	**16,984.51**

*During fiscal 2019-20, the Company had entered into a Composite Scheme of Arrangement and Amalgamation ("the Scheme AA") 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 had demerged its Human Resource Services business (including investment in shares of Quess Corp Limited) into the Company on a going concern basis. The Company had recorded a provision for stamp duty pursuant to the demerger under Scheme AA for ₹ 337.01 million out of which ₹ 125.16 million was paid by the Company during the year pursuant to completion of assessement and the remaining provision was credited back to securities premium account.

19.2 Share option outstanding account

The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	**685.35**	**393.09**
Add: Capitalisation of ESOP expenses of a subsidiary	16.05	-
Add: Grants issued during the year	260.21	292.26
Balance as at the end of the year	**961.61**	**685.35**

19.3 Foreign currency translation reserve

This relates to the exchange difference arising from the translation of financial statements of foreign operations with functional currency other than INR.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	**842.33**	**369.77**
Add: Translation difference recognised during the year	(19.12)	472.56
Balance as at the end of the year	**823.21**	**842.33**

19.4 Capital reserve

Represents surplus arising due to prior common control business combinations. The surplus is not eligible for distribution to shareholders under the provisions of Companies Act, 2013.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	(3.33)	(3.33)
Add: Conversion of associate to subsidiary	22.98	-
Balance as at the end of the year	**19.65**	**(3.33)**

19.5 Other comprehensive loss (excluding foreign currency translation reserve)

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	**(210.55)**	**(286.29)**
Add: Recognised during the year	(216.89)	75.74
Balance as at the end of the year	**(427.44)**	**(210.55)**

19.6 Capital redemption reserve

The Company had issued 12.33% cumulative redeemable preference shares having face value of ₹ 10 each and redeemable at ₹ 12 each. As per the provisions of the Companies Act, 2013, the Company is required to create a capital redemption reserve equivalent to the nominal value of shares redeemed out of the profits of the Company. Such reserve can be created out of the free reserves of the Company. Accordingly, the Company has created CRR out of the retained earnings of earlier years. As per the provisions of the Companies Act,2013, such CRR can be used for issuing fully paid up bonus shares.

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(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning and end of the year	150.00	150.00

19.7 Retained Earning

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	**5,735.35**	**5,268.33**
Add: Profit for the year	2,778.56	2,244.17
Less: Dividends (refer note 51)	(593.91)	(1,777.15)
Balance as at the end of the year	**7,920.00**	**5,735.35**

20 Non-controlling interests

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-controlling interests [refer note 20.1, 20.2 and 20.3]	1,656.09	1,620.51
	1,656.09	**1,620.51**

The following table discloses the movement in non controlling interest for the year ended 31 March 2024 :

Entities	Non controlling stake	Opening Balance as at 1 April 2023	Profit/ (loss) allocation for the year	Other comprehensive income allocation for the year	Closing balance as at 31 March 2024
Agensi Pekerjaan Monster Malaysia SDN. BHD.	51.00%	(0.20)	(8.41)	0.11	(8.50)
Allsec Technologies Limited [refer note 20.1]	26.61%	1,048.03	170.31	(7.39)	1,210.95
Terrier Security Services (India) Private Limited [refer note 20.2]	51.95%	127.06	32.01	(14.14)	144.93
Monster.com (India) Private Limited [refer note 20.3]	16.88%	(119.99)	(111.01)	0.77	(230.23)
Heptagon Technologies Private Limited [refer note 4(ii)(d)]	39.33%	(36.64)	(35.01)	1.45	(70.20)
Stellarslog Technovation Private Limited [refer note 4(ii)(c)]	46.01%	(41.42)	(22.05)	-	(63.47)
Quess Recruit, Inc [refer note 20.4]	25.00%	-	(0.36)	-	(0.36)
Total		**976.84**	**25.48**	**(19.20)**	**983.12**
Less: Payment of dividend to non-controlling interests [refer note 20.1]		(324.43)			(447.15)
Add: Reversal of Non-controlling interests on acquisition balance portion of Heptagon Technologies Private Limited [refer note 4(ii)(d)]		(38.47)			70.20
Add: Non-controlling interests on acquisition of 100% stake of Stellarslog Technovation Private Limited [refer note 4(ii)(c)]		31.53			63.47
Add: Non-controlling interests on acquisition of Quess Recruit, Inc [refer note 20.4]		-			11.41
Add: Dilution of stake in a subsidiary		975.04			975.04
Total		**1,620.51**			**1,656.09**

20.1 Conneqt Business Solutions Limited (CBSL) acquired 61.35% equity stake in Allsec Technologies Limited (Allsec) on 3 June 2019 and recognised NCI amounting to ₹ 1,036.04 million. During year ended 31 March 2021, CBSL acquired an additional 12.03% equity stake for ₹ 587.64 million through the open offer.

During the year the Group recognised a decrease in equity attributable to owners of the parent of ₹ 162.92 million (31 March 2023: ₹ 135.02 million) and Allsec declared dividend and an amount of ₹ 122.72 million (31 March 2023 :81.12 million) was paid to non-controlling interest.

20.2 On 27 May 2020, the Company increased their stake in Terrier Security Services (India) Private Limited (Terrier) to 74.00%. On 28 March 2022, Terrier has allotted 150,000 optionally convertible redeemable preference shares ("OCRPS") having face value of ₹ 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30, out of which 39,000 OCRPS has been converted by the other shareholders of Terrier into equity shares in the ratio of 1:10. As a result, the total shareholding of the Company in Terrier has been decreased from 74.00% to 41.57%.

20.3 During the previous year ended 31 March 2022, the Company had entered into Share Subscription agreement for investment in Monster.com (India) Private Limited (Monster India) (a wholly owned subsidiary of the Company) by Meridian Investments and Volrado Venture Partners Fund II (collectively, Investors) along with the Monster India.

There was an investment of ₹ 625.66 million by the Investors on 21 January 2022, resulting in further dilution of control by 9.43% on a fully diluted basis. Subsequently there is an additional investment of ₹ 349.98 million by the investors on 17 October 2022, resultant further dilution of control by 7.45%. Remaining shares of Monster India are held by the Company and employees under employee stock options plan.

20.4 During the year ended 31 March 2024, APKR (100%) and QREC (25%) are converted from associate to subsidiary based on control (refer note 6.1 and 6.2) and accordingly non controlling interest recognised in the books for ₹ 11.41 million and capital reserve of ₹ 22.98 million as a result of business combination.

21 Non-current borrowings* (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Term loans [refer note 21.1(a) and 21.2]	86.73	200.02
Vehicle loans [refer note 21.1(b)and 21.3]	24.40	17.56
Total borrowing	**111.13**	**217.58**
Less: Current maturities of long-term borrowings (refer note 23)	(93.55)	(122.86)
	17.58	**94.72**

*Information about the Group's exposure to interest rate and liquidity risk is included in note 38.

Terms and repayment schedule

21.1 Terms and condition of outstanding borrowings are as follows: (Amount in ₹ millions)

Particulars	Currency	Coupon/ Interest rate	Year of maturity	Carrying amount as at 31 March 2024	Carrying amount as at 31 March 2023
(a) Secured term loans	CAD	CDOR + 2.50%	2025	86.73	200.02
(b) Vehicle loans	INR	6.75% to 9.65%	2028	24.40	17.56
Total borrowings				**111.13**	**217.58**

21.2 Term loan

During the year ended 31 March 2020, MFXchange Holdings, Inc. entered into Term loan and working capital facilities agreement with ICICI bank Canada for re-financing the original credit facility arrangement with ICICI Bank Canada entered on 15 October 2015. The loan is repayable in quarterly instalments starting from 31 January 2020. The loan is secured by way of pledging of shares of certain North America subsidiaries.

21.3 Vehicle loans obtained from HDFC Bank Limited are repayable in equal monthly instalments over a period of 5 years from the date of availing respective loan. The same is secured by hypothecation of the vehicles financed. Rate of interest is in the range of 6.60% to 9.15% p.a. (31 March 2023: 6.60% to 9.15% p.a.) and number of instalments pending for payments are ranging between 2-58 instalments.

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22 Non-current provisions (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 45)	3,364.48	2,743.40
Less: Liabilities held for sale (refer note 48)	(2.89)	-
	3,361.59	**2,743.40**

23 Current borrowings (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Current maturities of long-term borrowings (Refer note 21)	93.55	122.86
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 23.1)	227.96	732.80
Working capital loan (refer note 23.3)	2,306.13	3,360.24
Unsecured		
Working capital loan (refer note 23.3)	300.00	500.00
Commercial papers (refer 23.2)	750.00	500.00
Loan from non-controlling shareholder of a subsidiary	0.14	0.19
	3,677.78	**5,216.09**

Information about the Group's exposure to interest rate and liquidity risk is included in note 38.

23.1 The Group has taken cash credit and overdraft facilities having interest rates ranging from 3 month - 12 month MCLR ("Marginal cost of funds based lending rate") to I-MCLR-6M. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the respective subsidiaries (present and future) and additionally collateralized by way of pari passu first charge on the entire movable assets of the respective subsidiaries (excluding charge on vehicles/equipment purchased/to be purchased under lease agreements/ hire purchase agreements) both present and future.

23.2 The Company has taken Commercial Papers having interest rates ranging from 7.45%-7.95%. These facilities are ranging for the period between 51 to 90 days.

23.3 Details of working capital loan:

Entity	Amount (in ₹ million)	Term
Quess Corp Limited	2,304.69	The Company has taken working capital loan from banks having interest rate ranging from 6.72% p.a. to 10.34% p.a.(31 March 2023: 4.50% p.a. to 8.65% p.a.). These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company (present and future) and additionally collateralized by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future.
MFXchange Holdings, Inc. (MFXU)	301.45	On November 22, 2019, the Company entered into a Term Loan ("Term Loan") & Working Capital Facility ("Facility") with ICICI Bank Canada. The Term Loan contains a maximum borrowing limit of 7,500,000 CAD and the Facility has a maximum borrowing limit of 12,500,000 CAD both maturing on November 30, 2024. Borrowings under the Term Loan are to be repaid quarterly starting at 2.5% to 6.25% over the term of the loan. Borrowings under the working capital facility are due on the maturity date. Interest is charged at a percentage per annum that is an aggregate of the Canadian CDOR rate & CDOR plus 2.5%.

23.4 Out of total borrowings Quess Corp Limited and Terrier Securities Services (India) Private Limited constitutes more than 90% of the total borrowing hence below disclosure is given for below companies:

Terrier Securities Services (India) Private Limited: (Amount in ₹ millions)

Quarterly statement dated	Name of the bank	Particulars of securities provided	Amount as per books of accounts	Amount as reported in the quarterly statement	Amount of difference	Reasons for material discrepancies
30-Jun-23	HDFC Bank Limited and Yes Bank Limited	Trade receivable	975.76	974.11	1.65	The statement and trial balance was generated at different points of time. Rectified statement has been submitted to the bank post books closure.
30-Sep-23			1,033.90	1,030.55	3.35	
31-Dec-23			977.48	977.38	0.10	

24 Trade payables

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed		
Total outstanding to related parties (refer note 44)	-	7.37
Total outstanding dues to others	1,184.03	1,242.01
Less: Liabilities held for sale (refer note 48)	(8.45)	-
	1,175.58	**1,249.38**

The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 38.

24(i) Trade payables ageing schedule as on 31 March 2024 and 31 March 2023: (Amount in ₹ millions)

Particulars	Outstanding for the following periods from due date of transaction				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Payables					
-As at 31 March 2024	1,082.40	24.42	38.47	30.29	1,175.58
-As at 31 March 2023	1,078.93	109.95	28.53	31.97	1,249.38

25 Other current financial liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued and not due	6.81	4.25
Capital creditors	50.36	50.12
Unclaimed dividend	11.01	8.30
Other Payables		
Accrued salaries and benefits	10,382.26	7,077.41
Customer liability	-	2,238.51
Provision for bonus and incentive	652.67	693.95
Provision for expenses*	2,589.08	2,941.85
Non-controlling interests put option (refer note 25.1 and 33)	40.35	20.66
Uniform deposits	10.27	16.03
Others	3.00	-
Less: Liabilities held for sale (refer note 48)	(14.62)	-
	13,731.19	**13,051.08**

The Group's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 38.

*Includes provision for service tax accruals for Conneqt Business Solutions Limited (the erstwhile wholly owned subsidiary of the Company) for FY 2011-12 to 2016-17 of ₹ 443.33 million (31 March 2023 ₹ 443.33 million).

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25.1 During the year ended 31 March 2024, non-controlling shareholder of Vedang Cellular Services Private Limited ("VCSP"), a subsidiary of the Company, exercised the put option to sell 4.53% stake to the Company resulting in a payout of ₹ 60.52 million. Consequently, shareholding in VCSP has increased to 97%.

26 Current tax liabilities (net)

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax (net of advance tax) [refer note 8]	204.99	693.23
	204.99	**693.23**

27 Current provisions

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for compensated absences (refer note 45)	192.47	195.27
Other provisions		
Provision for disputed claims (refer note 27.1, 27.2, 27.3 and 27.4)	135.93	135.93
Provision for warranty (refer note 27.5)	5.64	5.64
	334.04	**336.84**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2024:

(Amount in ₹ millions)

Particulars	Years pertaining to	Amount demanded	As at 1 April 2023	Provided during the year	Utilised during the year	As at 31 March 2024	Amount paid till date	Contingent liability
Provident Fund (refer note 27.1)	April 2008 to February 2012	42.89	17.97	-	-	17.97	10.72	24.92
Provident Fund (refer note 41.2)	September 2015 to August 2022	86.91	-	-	-	-	-	86.91
Provident Fund (refer note 41.2)	April 2018 to December 2022	28.75	-	-	-	-	-	28.75
Service tax (refer note 27.2)	October 2007 to March 2016	154.02	117.96	-	-	117.96	11.55	36.06
Service tax (refer note 27.3)	FY 2013-14 FY 2014-15	3.91	-	-	-	-	0.29	3.91
Service tax (refer note 27.4)	April 2009 to September 2011	3.11	-	-	-	-	3.11	3.11
Service tax (refer note 7 and 25)	FY 2011-12 to FY 2016-17	443.33	443.33	-	-	443.33	33.25	-
GST	FY 2017-18 to FY 2020-21	15.36	-	-	-	-	7.38	15.36
Total		**778.28**	**579.26**	**-**	**-**	**579.26**	**66.31**	**199.02**

27.1 The demand pertains to non contribution of Provident fund, Pension fund, Deposit Linked Insurance Fund and administration charges in accordance with the definition of basic wages as contained in Section 2(b) of Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company, based on an expert's opinion, is of the view that the part of the claim made by the department is not probable, and accordingly a provision was recorded based on the management estimate. The Company has appealed against the ruling which is pending in Employees' Provident Fund Appellate Tribunal, New Delhi.

27.2 The demands pertains to Aravon Services Private Limited ("ASPL") which was merged with Quess Corp Limited w.e.f 1 April 2019. The amounts provided represents the best estimate of likely outflow of resources relating to this matter.

27.3 The demands pertains to Avon Facility Management Services Limited ("Avon") which was merged with Quess Corp Limited w.e.f 1 January 2014. The demand pertains to non-payment of services tax on training services provided under Government of India initiative, the Company has not created any provision considering that Avon is a registered vocational training provider associated with the National Council for Vocational Training and service tax is not applicable on rendering of vocational education and training course.

27.4 The demands pertains to Hofincons Infotech & Industrial Services Private Limited which was merged with Quess Corp Limited w.e.f 1 July 2014. The Company, based on assessment of the demand, is of the view that the claim made by the department is not probable.

27.5 There in no movement in provision for warranty during the year hence disclosures of provisions movement is not required under the provisions of Ind AS 37.

Provision for warranty is on account of warranties given on products sold by the Company. The amount of provision is based on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.

28 Other current liabilities (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Unearned revenue	787.43	921.52
Advance received from customers	197.06	133.09
Balances payable to government authorities	4,687.21	4,545.65
Others	18.22	92.16
	5,689.92	**5,692.42**

29 Revenue from operations (Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Sale of services		
Workforce management	1,34,422.84	1,18,308.95
Operating asset management	28,007.37	26,215.77
Global Technology Solutions	23,400.26	21,722.63
Product led business	5,170.86	5,336.52
	1,91,001.33	**1,71,583.87**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and unearned revenue

The Group classifies the right to consideration in exchange for deliverables as either a trade receivable (billed or unbilled). Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, unbilled revenue and unearned revenue from contracts with customers.

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
- Billed	15,388.29	14,853.27
- Unbilled	12,333.00	12,032.64
Unearned revenue	787.43	921.52
Advance from customer	197.06	133.09

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The following table discloses the movement in unbilled revenue balances for the year ended 31 March 2024 and 31 March 2023:

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	**12,032.64**	**10,619.80**
Add: Addition due to business combinations	-	26.65
Add: Revenue recognised during the year	40,796.75	32,386.35
Less: Invoiced during the year and therefore recognised as trade receivables - billed	(39,658.51)	(30,946.58)
Less: Expected credit loss allowance recorded during the year	(668.25)	(132.93)
Less: Unbilled revenue reversed on sale of subsidiary (refer note 36(i))	(138.84)	-
Less: Unbilled revenue related to asset held for sale (refer note 48)	(19.04)	-
Add: Translation exchange difference	(11.75)	79.35
Balance as at the end of the year	**12,333.00**	**12,032.64**

The following table discloses the movement in unearned revenue balances for the year ended 31 March 2024 and 31 March 2023:

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	**921.52**	**893.95**
Less: Revenue recognised during the year	(1,667.91)	(4,572.58)
Add: Invoiced during the period	1,693.12	4,573.56
Less: Unearned revenue reversed on sale of subsidiary (refer note 36(i))	(157.44)	-
Add: Translation exchange difference	(1.86)	26.59
Balance as at the end of the year	**787.43**	**921.52**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the value of remaining performance obligations for:

(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the Group recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2024, other than those meeting the exclusion criteria mentioned above, is ₹ 12.35 million (31 March 2023: ₹ 333.59 million). Out of this, the Group expects to recognize revenue of around 75.51% (31 March 2023: 75.21%) within the next one year and the remaining thereafter.

30 Other income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
(a) Interest income		
Interest income under the effective interest rate method on:		
Deposits with banks	96.90	100.53
Amortised cost adjustments for financial instruments	18.37	15.38
Interest on tax refunds received	91.81	22.73
(b) Other non-operating income		
Foreign exchange gain	32.80	61.59
Dividend income on other investments	0.06	-
Profit on sale of property, plant and equipment and intangible assets	-	1.73
Net gain on sale of investments in mutual funds	30.80	11.14
Rent from letting out properties	3.05	2.07
Liabilities no longer required written back	13.82	0.03
Fair value gain on mutual funds, net	5.93	24.16
Miscellaneous income	0.99	23.99
	294.53	**263.35**

31 Cost of material and stores and spare parts consumed

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Inventory at the beginning of the year	281.57	274.80
Add: Purchases	4,561.66	4,801.16
Less: Inventory at the end of the year	(71.28)	(281.57)
Cost of material and stores and spare parts consumed	**4,771.95**	**4,794.39**

32 Employee benefits expenses

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Salaries and wages	1,52,316.24	1,34,071.97
Contribution to provident and other funds	10,891.10	10,359.79
Expenses related to post-employment defined benefit plan (refer note 45)	813.76	666.92
Staff welfare expenses	1,286.42	1,204.67
Expense on employee stock option scheme (refer note 46)	260.21	292.26
	1,65,567.73	**1,46,595.61**

33 Finance costs

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Interest expense on financial liabilities at amortised cost	613.53	608.52
Interest expense on financial liabilities at FVTPL (refer note 25.1)	80.21	-
Interest expense on lease liabilities	469.13	440.57
Other borrowing costs	10.36	16.99
	1,173.23	**1,066.08**

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34 Depreciation and amortisation expense

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Depreciation of property, plant and equipment [refer note 3(a)]	642.07	612.81
Depreciation of right-of-use assets [refer note 3(b)]	1,590.32	1,488.49
Amortisation of intangible assets (refer note 5)	599.56	644.82
	2,831.95	**2,746.12**

35 Other expenses

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Sub-contractor charges	5,215.69	5,469.63
Recruitment and training expenses	347.84	371.13
Rent	396.37	508.60
Power and fuel	384.36	385.52
Repairs and maintenance		
- buildings	145.64	167.20
- plant and machinery	517.08	507.77
- others	953.31	1,114.01
Legal and professional fees	1,030.98	1,131.27
Rates and taxes	154.28	170.03
Printing and stationery	77.04	90.58
Stores and tools consumed	211.44	284.78
Travelling and conveyance	954.23	1,053.62
Communication expenses	397.34	369.02
Loss allowance on trade receivables (billed and unbilled), net [refer note 38(i)]	1,089.40	704.47
Equipment hire charges	172.39	146.89
Insurance	607.08	523.05
Database access charges	78.70	108.59
Technological support services	3.62	6.42
Bank charges	40.66	31.13
Business promotion and advertisement expenses	763.52	982.39
Loss on sale of fixed assets, net	21.96	-
Expenditure on corporate social responsibility	62.45	52.82
Deposits/advances written-off	0.58	8.31
Miscellaneous expenses	100.59	150.02
	13,726.55	**14,337.25**

36 Exceptional items

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Gain on sale of subsidiary [refer note 36(i)]	(387.50)	(535.03)
Impairment loss recognised on goodwill and other Intangible assets [refer note 36(ii)]	224.87	-
Expected credit loss allowance on trade receivables (billed and unbilled) [refer note 36(iii)]	305.30	-
Amalgamation related expense [refer note 36(iv)]	58.00	-
Demerger related expense [refer note 36(v)]	70.92	-
	271.59	**(535.03)**

36(i) During the year ended 31 March 2024, the Company sold its equity stake in Qdigi Services Limited (Qdigi) to Onsite Electro Services Limited (Onsite) for a consideration of ₹ 744.55 million resulting in a gain of ₹ 387.50 million which is disclosed as an exceptional item. The gain is net of transaction cost of ₹ 27.95 million. Out of the cash consideration, ₹ 46 million will be received after completion of closing conditions.

During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of ₹ 45 Million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to ₹ 535.03 million is recorded as exceptional item during the year ended 31 March 2023.

36(ii) i) During the year ended 31 March 2024, pursuant to internal restructuring, business contracts and employees of Heptagon Technologies ("Heptagon"), a subsidiary of the Company, are being novated/transferred to the Company and other subsidiaries of the Group. Therefore, the Company recorded an impairment relating to goodwill and other asset of ₹ 198.67 million during the year.

ii) During the year ended 31 March 2024, the Company reassessed the recoverable value with carrying value of Stellarslog Technologies Private Limited ("SLPL"), and recognised goodwill impairment of ₹ 15.87 million, disclosed as exceptional item.

iii) During the year ended 31 March 2024, the Company assessed recoverable value of goodwill pertaining to certain cash generating units which resulted in impairment of ₹ 10.33 million which is disclosed under exceptional item.

36(iii) During the year ended 31 March 2024, the Group recorded additional expected credit loss allowances amounting to ₹ 305.30 million relating to certain government projects in its subsidiaries pursuant to a decision to discontinue these projects after management and Board review pursuant to the scheme of demerger.

36(iv) The Board of Directors of the Company, at its meeting held on 7 July 2021 approved the Scheme of Amalgamation ("Scheme AAA") among Quess 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 incurred stamp duty of ₹ 58 million pursuant to amalgamation and disclosed them as an exceptional item during the year ended 31 March 2024.

36(v) During the year ended March 31, 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/investments) engaged in BPM solutions, Insurtech and 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.

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(b) the demerger of the Company's undertakings (Divisions/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 SEBI, the NCLT, Bengaluru Bench ("Tribunal"), the Stock Exchanges and other statutory and regulatory authorities, and approval of the requisite majority of the shareholders and creditors of the Companies, under applicable law.

The Company incurred certain transaction costs totaling to ₹ 70.92 million towards scheme of demerger which is disclosed under exceptional items.

37 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in ₹ millions)

Particualrs	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Non-current investments*	6	-	366.57	-	-	16.55	-
Loans	15	-	-	8.65	-	-	36.79
Current investments**	11	562.79	-	-	467.79	-	-
Trade receivables	12	-	-	27,721.29	-	-	26,885.91
Cash and cash equivalents including other bank balances	13 and 14	-	-	5,452.64	-	-	5,661.08
Other financial assets	7 and 16	-	-	2,124.78	-	-	1,969.47
Total financial assets		**562.79**	**366.57**	**35,307.36**	**467.79**	**16.55**	**34,553.24**
Financial Liabilities:							
Lease liabilities	3 (c)			4,685.78			4,802.53
Borrowings	21 and 23	-	-	3,695.36	-	-	5,310.81
Trade payables	24	-	-	1,175.58	-	-	1,249.38
Other financial liabilities**	25	40.35	-	13,690.84	20.66	-	13,030.42
Total financial liabilities		**40.35**	**-**	**23,247.56**	**20.66**	**-**	**24,393.14**

*classified as FVTOCI upon initial designation

**mandatorily classified as FVTPL on initial recognition

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Ind AS.

(Amount in ₹ millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2024	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Non-current investments	6	366.57	-	-	366.57
Current investments	11	562.79	562.79	-	-
Total		**929.36**	**562.79**	**-**	**366.57**
Financial liabilities not measured at fair value					
Other financial liabilities	25	40.35	-	-	40.35
Total		**40.35**	**-**	**-**	**40.35**

(Amount in ₹ millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Non-current investments	6	16.55	-	-	16.55
Current investments	11	467.79	467.79	-	-
Total		**484.34**	**467.79**	**-**	**16.55**
Financial liabilities not measured at fair value					
Other financial liabilities	25	20.66	-	-	20.66
Total		**20.66**	**-**	**-**	**20.66**

There have been no transfer between levels during the period.

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and non-convertible debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

1) The Group has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances, unbilled revenue and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

2) Current investments: The fair values of investments in mutual fund units disclosed as current investments is based on the net asset value (''NAV'') as stated by the issuers of these mutual fund units in the published statements as at the reporting date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

B Financial Liabilities:

1) **Borrowings:** Significant portion of non-current borrowings carries floating rate of interest, the fair value of these is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Companies in the Group since the date of inception of the loans. Balance portion of Non-Current borrowing is insignificant at group level hence not fair valued.

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The current borrowings which include and cash credit and overdraft facilities, working capital loan, bill discounting facilities, loan from related parties and loan from others are classified and subsequently measured in the consolidated financial statements at amortised cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

3) **Contingent consideration:** The fair value of contingent consideration is determined by using a discount rate that reflects the likely amount to be paid out over the years as earn out which has been calculated using pre-tax cash flow projections based on financial budgets approved by management covering a five-year period.

4) **Financial liability:** The fair value of financial liability has been determined by discounting consideration payable on commitment to sell. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of the put option.

Reconciliation of level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values:

(Amount in ₹ millions)

Particulars	Fair value through other comprehensive income	Fair value through profit and loss
	Other non-current investments (unquoted)	Non-controlling interests put option*
Balance as at 31 March 2022	**16.55**	**19.72**
Transferred to fair value through amortised cost	-	0.94
Balance as at 31 March 2023	**16.55**	**20.66**
Investment made during the year (refer note 6.4)	350.02	-
Settlement (refer note 25.1)	-	(60.52)
Net change in fair value recognised in statement of profit and loss (refer note 33)	-	80.21
Balance as at 31 March 2024	**366.57**	**40.35**

*Consideration payable with respect to Non-controlling interests put option is reclassified to "other current financial liabilities" as it is repayable on demand.

38 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of Quess Corp Limited has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Company's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables (both billed and unbilled) from customers, loans, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets represent security deposits given to suppliers, lessors and others. Credit risk associated with such deposits is relatively low. Loans are given to subsidiaries and associates and are tested for impairment where there is an indicator.

Trade receivables (including unbilled)

Trade receivables (including unbilled) are typically unsecured and are derived from revenue from customers primarily located in India. The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable ""billed and unbilled"". The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government customers, the Company derives the loss rates based on historical credit loss exprerience, which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing more than 10% of trade receivable billed and unbilled. For government customers, given the insignificant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer specific disputes.

The movement in the allowance for impairment in respect of trade receivables (billed and unbilled) is as follows:

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	2,704.46	2,016.08
Add: Impairment loss recognised under expected credit loss model	1,089.39	704.47
Add: Impairment loss recognised and disclosed under exceptional items [(refer note 36(iii)]	305.30	-
Less: Bad debts written off	(266.99)	(17.39)
Less: Closing provision of subsidiary sold during the year (refer note 36(i))	(52.45)	-
Less: Translation exchange differences	2.60	1.30
Balance as at the end of the year	**3,782.32**	**2,704.46**

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Group. The limits vary to take into account the liquidity of the market in which the Group operates.

Financing arrangement

The Group maintains the line of credit as explained in note 23:

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023. The amounts are gross representing undiscounted contractual cash flows and include contractual interest payments and exclude netting arrangements. The Company has an undrawn limit of ₹ 11,880 million as at 31 March 2024 (31 March 2023: 9,570 million).

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for the year ended 31 March 2024

As at 31 March 2024 (Amount in ₹ millions)

Particulars	Note	Contractual cash flows				
		Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings*	21 and 23	3,695.36	3,677.78	6.13	11.45	-
Trade payables	24	1,175.58	1,175.58	-	-	-
Lease liabilities	3 (c)	4,685.78	1,788.68	1,538.87	1,959.47	907.22
Other financial liabilities	25	40.35	40.35	-	-	-

* Current maturities of long-term borrowings are included under borrowings and excluded from other financial liabilities

As at 31 March 2023 (Amount in ₹ millions)

Particulars	Note	Contractual cash flows				
		Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings*	21 and 23	5,310.81	5,216.09	89.73	4.99	-
Trade payables	24	1,249.38	1,249.38	-	-	-
Lease liabilities	3 (c)	4,802.53	1,774.86	1,541.79	1,809.93	534.75
Other financial liabilities	25	20.66	20.66	-	-	-

* Current maturities of long-term borrowings are included under borrowings and excluded from other financial liabilities

The Group has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

As disclosed in note 21 and note 23, the Group have secured bank loans that contains loan covenants. A future breach of covenants may require the Group to repay the loans earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The functional currency of Company and its domestic subsidiaries are Indian Rupees (INR). The functional currency of the overseas subsidiaries are its respective local currencies. The Group is not significantly exposed to currency risk and therefore disclosures required under "Ind AS 107 - Financial Instruments: Disclosures" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowing comprises of vehicle loans, working capital loans, finance lease obligations and debentures which carries fixed rate of interest, which do not expose it to interest rate risk. The borrowings also includes cash credit, bill discounting and term loan facilities which carries variable rate of interest.

(i) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	616.28	478.13

(b) **Sensitivity**

(Amount in ₹ millions)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2024				
Variable rate borrowings	(6.16)	6.16	(4.61)	4.61
31 March 2023				
Variable rate borrowings	(4.78)	4.78	(3.58)	3.58

The sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

c) **Price risk**

(a) **Price risk exposure**

The Group's exposure to price risk arises from investments held by the Group in the mutual fund units and classified as fair value through profit or loss in the consolidated balance sheet. To manage its price risk arising from investments in mutual fund units, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The majority of the Group's mutual fund investments are publicly traded and are listed on the recognised stock exchanges. The exposure of the Group's mutual fund investments to security price changes at the end of the reporting period are as follows:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in mutual fund units	562.79	467.79

(b) **Sensitivity**

(Amount in ₹ millions)

Particulars	Impact on profit after tax	
	1% increase	1% decrease
31 March 2024	5.63	(5.63)
31 March 2023	4.68	(4.68)

The sensitivity analysis is prepared assuming the amount of mutual funds outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

39 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximise shareholders value.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings and lease liabilities less cash and cash equivalents.

The Group's policy is to keep the ratio below 2.00. The Group's adjusted net debt to equity ratio is as follows:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Gross debt	8,381.14	10,113.34
Less: Cash and cash equivalents	5,201.25	4,375.74
Adjusted net debt	**3,179.89**	**5,737.60**
Total equity	27,989.93	25,687.51
Net debt to equity ratio	**0.11**	**0.22**

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for the year ended 31 March 2024

40 Capital commitments

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	71.80	90.35
	71.80	**90.35**

41 Contingent liabilities

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Bonus [refer note 41.1]	325.88	325.88
Provident fund [refer note 41.6 and 41.7] [Also refer note 41.2 for details of significant case]	140.58	53.67
Direct and indirect tax matters [refer note 41.6 and 41.7] [Also refer note 41.3 and 41.4 for details of significant cases]	2,417.05	1,407.67
Other claims [refer note 41.6 and 41.7] [Also refer note 41.5 for details of significant case]	91.32	91.32

41.1 Contingent liability of ₹ 325.88 million pertains to retrospective application effective 1 April 2014 for amendments in the Payment of Bonus Act (Amendment Act, 2015) enacted on 31 December 2015. As per the amendment, the eligibility criteria of salary or wages has been increased from ₹ 10,000 per month to ₹ 21,000 per month [Section 2(13)] and the ceiling for computation of such salary or wages has been increased from ₹ 3,500 per month to ₹ 7,000 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher.

During fiscal 2015, the Company obtained a legal opinion from an external lawyer and was advised to take a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision is required. There have been no updates during fiscal year 2023 and 2024.

41.2 (i) During fiscal 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 ₹ 716.56 million on the grounds that the Company 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 17 May 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. The Company considers the outflow relating to the claim to be remote.

(ii) During the year ended 31 March 2023, a division of the Company namely, Conneqt Business Solutions Private Limited (Conneqt) received a show cause notice ('notice') dated 26 December 2022 under Section 14B and Section 7Q respectively of the Employees' Provident Fund and Miscellaneous Provisions Act,1952 ("EPF Act"), Act for belated remittances made during the period from 14 April 2018 to 26 December 2022 show causing why damages and interest should not be levied amounting to ₹ 28.75 million (including damages of ₹ 18.86 million and interest of ₹ 9.89 million. Conneqt had time and again submitted letters/ responses to the EPFO highlighting the difficulties being faced by them as regards the non-generation of the UAN/ non-seeding of UAN with Aadhaar during onboarding process of the new employees which caused the delay in the timely payment of the necessary Provident Fund dues for the period 14 April 2018 to 26 December 2022.

The Company filed writ petition before the Hon'ble High Court of Telangana on 05 October 2023 & awaiting Court proceedings to commence.

The Company, basis legal opinion from its external attorney is of the view that the above claims shall be contested by the Company and no provision is required to be made at this stage, pending outcome of the matter.

(iii) During the year ended 31 March 2024, the Company has received an order dated 25.09.2023 from the Ld. RPFC Pune 1 stating that the Assessee has paid allowances by way of 'conveyance' and 'incentive' generally to all employees but has excluded the same for computation of contributions under the Act for the relevant period. Accordingly, PF dues on the aforesaid allowance's u/s 7A has been ordered by RPFC and directed to deposit an amount of ₹ 86.91 million against the alleged PF remittances. The Company contention is incentive has been paid by the company to its employees in accordance with an incentive scheme which prescribes the rates at which it is earned by the employees on the basis of additional targets achieved by them. The said incentive, therefore, would not qualify as basic wages in terms of the law laid down in the authorities.

Company filed a writ petition with the Hon'ble High Court of Bombay challenging the order and seeking stay. The honourable High court dated 23.11.2023 granted a stay on order and directed that no coercive action should be taken by the Ld. RPFC up to the next date of hearing which has been adjourned up to 26.09.2024.

The management is of the view that the above claims shall be contested by the company and no provision is required to be made at this stage, pending outcome of the matter.

41.3 The division of the Company, namely Conneqt Business Solutions Private Limited (Conneqt) had received a show cause notice from Directorate General of Central Excise Intelligence dated 19 April 2017 for an amount of ₹ 443.35 million plus interest and penalty regarding availment of ineligible cenvat credit on services provided to Conneqt by the dealers of automobile companies. Conneqt filed a response on 11 October 2017. The matter is pending before Central Excise and Service Tax Appellate Tribunal, Hyderabad. The Group is of the view that the above claims are being contested by Conneqt and no provision is required to be made at this stage including consequential interest and penalties, if any, pending outcome of the matter.

41.4 Income Tax matters:

During the year ended 31 March 2023, the Company received assessment order under section 143(3) read with section 144C(13) of the Income Tax Act after completion of Dispute Resolution Panel ('DRP') proceedings for fiscal 2018 resulting in disallowances primarily relating to deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill.

Further, during the year ended March 31, 2024, the Company received: (i) assessment order for fiscal 2019 under section 143(3) of the Income Tax Act in which primarily deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill has been disallowed, (ii) draft assessment order for fiscal 2020 under section 144C (1) of the Income Tax Act in which primarily deductions under 80JJAA and depreciation on goodwill has been disallowed and (iii) draft assessment order for fiscal 2021 under section 144C (1) of the Income Tax Act in which primarily deductions under 80JJAA has been disallowed.

The Income Tax department disallowed the claim under section 80JJAA of the Income Tax 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 ₹ 25,000 in a month but the average emoluments for these additional employees does not exceed ₹ 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 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 and 2019 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 2020 and 2021 with the Dispute Resolution Panel.

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 ₹ 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 ₹ 4,161.85 million is claimed for the year ended 31 March 2024 (31 March 2023: ₹ 1,922.90 million). The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

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for the year ended 31 March 2024

41.5 Allsec Technologies Limited ("Allsec"), subsidiary of the Company received a demand from the Tamil Nadu Electricity Board for an amount of ₹ 10.90 million in January 2008 relating to reclassification disputes on the tariff category applicable to Allsec in two of its delivery centres with retrospective effect from 2005. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed Allsec to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, Allsec got demand notices from the Board towards disputed claim of ₹ 10.9 million for the above cited period and additional demand for the enhanced period from July 2007 to July 2010 amounting to ₹ 11.2 million along with Belated Payment Surcharge ("BPSC") on the principal amount and was demanded to be settled within the stipulated time frame, failure to which the supply will get disconnected. In order to avoid unforeseen situation that may adversly impact the business, Allsec proposed to pay the dues in installments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court, bearing strong grounds. Accordingly Allsec made necessary provision for the liability of ₹ 22.1 million towards the prolonging disputes, barring BPSC. The BPSC amounting to ₹ 45.7 million has been considered by the Group as contingent liability and the Group is of the view based on opinion from legal experts that it will succeed in its proceedings before the said Commissionarate.

41.6 Pending resolution of the respective proceedings as mentioned in note 41.1 to 41.5, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group is contesting the demand and the Management believes that its position will likely be upheld. The Management believes that the outcome of these proceedings will not have material adverse effect on the Group's financial position and results of operations.

41.7 The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect outcome of these proceedings to have a material adverse effect on its financial position.

42 Earnings per share

(Amount in ₹ millions except number of shares and per share data)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Nominal value of equity shares (INR per share)	10.00	10.00
Profit after tax for the purpose of earnings per share (INR in million)	2,778.56	2,244.17
Weighted average number of shares used in computing basic earnings per share	14,83,88,879	14,81,12,507
Basic earnings per share (INR)	**18.72**	**15.16**
Weighted average number of shares used in computing diluted earnings per share	14,93,14,718	14,92,46,722
Diluted earnings per share (INR)	**18.61**	**15.04**

Computation of weighted average number of shares

Particulars	For the year ended	
	31 March 2024	31 March 2023
Number of equity shares outstanding at beginning of the year	14,81,12,507	147,990,557
Add: Weighted average number of equity shares issued during the year	2,76,372	1,21,950
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	**14,83,88,879**	**14,81,12,507**
Add: Impact of potentially dilutive equity shares	9,25,839	11,34,215
Weighted average number of shares outstanding at the end of year for computing diluted earnings per share	**14,93,14,718**	**14,92,46,722**

43 Segment reporting

The Executive Director and Group Chief Executive Officer has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by service offerings. Accordingly, segment information has been presented for service offerings.

Operating segment

The Group's business is concentrated in various service offerings like staffing services, executive search, contingency recruitment, housekeeping and facility management services, food services, skill development and training services and accordingly primary segment information is presented on the following service offerings:

Reportable segment

Workforce Management	It provides comprehensive staffing services and solutions including general staffing, IT staffing, recruitment and executive search, recruitment process outsourcing as well as payroll, compliance and background verification services, training and skill development, logistic services.
Operating Asset Management	It provides services including janitorial services, security services, electro-mechanical services, pest control, food and hospitality services, industrial operations and maintenance services and related asset record maintenance services.
Global Technology Solutions	It provides BPO services and technology solutions.
Product Led Business	It provides break fix services, hiring technology platform and workforce management tool.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. The Group has a corporate center, which provides various accounting and administrative support function. Segment information for this activity has been aggregated under "Unallocated". Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expense, cost of material consumed, recruitment and training expenses, stores and tools consumed, sub-contractor charges and operating expenses that can be allocated on a reasonable basis to respective segments. Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Group therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly these are separately disclosed as 'Unallocated'.

A Operating segment information for the year ended 31 March 2024 is as follows:

(Amount in ₹ millions)

Particulars	Workforce Management	Operating Asset Management	Global Technology Solutions	Product Led Business	Unallocated	Total
Segment revenue	1,34,422.84	28,007.37	23,400.26	5,170.86		1,91,001.33
Segment result	**3,511.82**	**1,409.83**	**4,252.98**	**(628.49)**		**8,546.14**
Other income		-	-	-	294.53	294.53
Depreciation and amortisation expense		-	-	-	(2,831.95)	(2,831.95)
Finance costs		-	-	-	(1,173.23)	(1,173.23)
Corporate expenses		-	-	-	(1,611.04)	(1,611.04)
Exceptional items		-	-	-	(271.59)	(271.59)
Share of profit of equity accounted investees (net of income tax)		-	-	-	(0.69)	(0.69)
Profit /(loss) before tax	**3,511.82**	**1,409.83**	**4,252.98**	**(628.49)**	**(5,593.97)**	**2,952.17**
Tax expense					(148.13)	(148.13)
Profit/(loss) after tax	**3,511.82**	**1,409.83**	**4,252.98**	**(628.49)**	**(5,742.10)**	**2,804.04**
Segment assets	19,004.98	13,950.95	15,018.86	1,588.01	12,987.63	62,550.43
Segment liabilities	14,269.54	5,982.45	7,310.62	1,368.42	3,973.38	32,904.41
Capital expenditure	62.98	112.17	709.57	364.63	22.29	1,271.64

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for the year ended 31 March 2024

Operating segment information for the year ended 31 March 2023 is as follows:

(Amount in ₹ millions)

Particulars	Workforce Management	Operating Asset Management	Global Technology Solutions	Product Led Business	Unallocated	Total
Segment revenue	1,18,308.97	26,215.77	21,722.63	5,336.50		1,71,583.87
Segment result	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**		**7,225.04**
Other income		-	-	-	263.35	263.35
Depreciation and amortisation expense		-	-	-	(2,746.12)	(2,746.12)
Finance costs		-	-	-	(1,066.08)	(1,066.08)
Corporate expenses		-	-	-	(1,368.42)	(1,368.42)
Exceptional items		-	-	-	535.03	535.03
Share of profit of equity accounted investees (net of income tax)		-	-	-	0.84	0.84
Profit /(loss) before tax	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**	**(4,381.40)**	**2,843.64**
Tax expense		-	-	-	(614.55)	(614.55)
Profit/(loss) after tax	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**	**(4,995.95)**	**2,229.09**
Segment assets	18,077.36	13,926.15	14,461.28	2,409.32	12,313.60	61,187.71
Segment liabilities	12,475.72	4,943.18	7,534.30	2,390.37	6,536.12	33,879.69
Capital expenditure	65.95	92.63	480.55	71.05	208.37	918.55

B Geographic information

The geographical information analyses the Group's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets which have been based on the geographical location of the assets.

(Amount in ₹ millions)

Geographic information	Revenue		Non-current assets*	
	For the year ended		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
India	1,73,274.36	1,54,302.21	22,231.90	22,583.99
Other countries:				
- Singapore	8,584.39	8,233.60	37.26	53.67
- Canada	3,337.15	3,136.00	141.73	138.07
- United States of America	2,359.64	2,490.13	220.92	328.65
- Rest of the world	3,445.79	3,421.93	363.22	148.55
Total	**1,91,001.33**	**1,71,583.87**	**22,995.02**	**23,252.94**

*Non-current assets exclude financial instruments and deferred tax assets.

The Group has disclosed the investments in equity accounted investees as the geographic information of non-current assets because they are regularly provided to the CODM.

C Major customer

None of the customers of the Group has revenue which is more than 10% of the Group's total revenue.

44 Related party disclosures

(i) Name of related parties and description of relationship:

- Entities having significant influence/joint control*	Fairfax Financial Holdings Limited
	Fairbridge Capital (Mauritius) Limited
	FFHL Group Ltd.
	Fairfax (Barbados) International Corp.
	Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
- Subsidiaries, associates and joint venture	Refer note 44 (ii)
- Entities having common directors	Go Digit Infoworks Service Private Limited
	Go Digit General Insurance Limited
	Fairbridge Capital Private Limited
	National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
- Entity controlled by promoters	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
	Fairbridge Capital Private Limited
	Thomas Cook (India) Limited
	Net Resources Investments Private Limited
- Charitable Trust for CSR activities	Quess Foundation
Key executive management personnel	
Ajit Isaac	Non-Executive Chairman (w.e.f. 1 April 2022)
Guruprasad Srinivasan	Executive Director and Group Chief Executive Officer (w.e.f. 11 February 2022)
Kamal Pal Hoda	Group Chief Financial Officer (w.e.f. 11 January 2023)
Kundan K. Lal	Company Secretary and Compliance officer

* As per SEBI Regulations, promoters and promoter groups are considered to be persons acting in concert. Further as per SEBI Regulations "Persons acting in concert" are considered to exercise joint control over the Company.

(ii) List of subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Refer note below	Nature of relation	Country of domicile	Holdings as at	
				31 March 2024	31 March 2023
Brainhunter Systems Ltd.		Subsidiary	Canada	100.00%	100.00%
Mindwire Systems Limited	1	Subsidiary	Canada	100.00%	100.00%
Quess (Philippines) Corp.		Subsidiary	Philippines	100.00%	100.00%
Quess Corp (USA) Inc.		Subsidiary	USA	100.00%	100.00%
Quesscorp Holdings Pte. Ltd.		Subsidiary	Singapore	100.00%	100.00%
Quess Corp Vietnam LLC		Subsidiary	Vietnam	100.00%	100.00%
Quessglobal (Malaysia) SDN. BHD.	2	Subsidiary	Malaysia	100.00%	100.00%
Quess Corp Lanka (Private) Limited	2	Subsidiary	Sri Lanka	100.00%	100.00%
Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")	2	Subsidiary	Singapore	100.00%	100.00%
MFXchange Holdings, Inc.		Subsidiary	Canada	100.00%	100.00%
MFXchange US, Inc.	3	Subsidiary	USA	100.00%	100.00%
Excelus Learning Solutions Private Limited		Subsidiary	India	100.00%	100.00%
Vedang Cellular Services Private Limited	4	Subsidiary	India	97.00%	92.47%

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Name of the entity	Refer note below	Nature of relation	Country of domicile	Holdings as at	
				31 March 2024	31 March 2023
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)		Subsidiary	India	100.00%	100.00%
Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd.")	2	Subsidiary	Singapore	100.00%	100.00%
Comtelink Sdn. Bhd		Subsidiary	Malaysia	100.00%	100.00%
Monster.com (India) Private Limited		Subsidiary	India	83.12%	90.57%
Monster.com.SG PTE Limited		Subsidiary	Singapore	100.00%	100.00%
Monster.com HK Limited		Subsidiary	Hong Kong	100.00%	100.00%
Agensi Pekerjaan Monster Malaysia SDN. BHD.		Subsidiary	Malaysia	49.00%	49.00%
Quesscorp Management Consultancies	2	Subsidiary	Dubai, UAE	100.00%	100.00%
Quesscorp Manpower Supply Services LLC	2	Subsidiary	Dubai, UAE	100.00%	100.00%
Qdigi Services Limited	Refer Note 36(i)	Subsidiary	India	-	100.00%
Simpliance Technologies Private Limited (till 20 October 2022)	10	Subsidiary	India	-	-
Allsec Technologies Limited		Subsidiary	India	73.38%	73.38%
Allsectech Inc., USA	5	Subsidiary	USA	73.38%	73.38%
Allsectech Manila Inc., Philippines	5	Subsidiary	Philippines	73.38%	73.38%
Trimax Smart Infraprojects Private Limited		Subsidiary	India	100.00%	100.00%
Quess Services Limited	14	Subsidiary	Bangladesh	-	100.00%
Terrier Security Services (India) Private Limited	6	Subsidiary	India	48.05%	48.05%
Quess East Bengal FC Private Limited	7	Subsidiary	India	100.00%	100.00%
Heptagon Technologies Private Limited		Subsidiary	India	100.00%	60.67%
Billion Careers Private Limited		Subsidiary	India	100.00%	100.00%
Stellarslog Technovation Private Limited	8	Subsidiary	India	100.00%	53.91%
Quess Corp NA LLC (w.e.f 17 May 2022)	9	Subsidiary	North America	100.00%	100.00%
Quess Recruit, Inc.	12	Subsidiary	Philippines	75.00%	25.00%
Agency Pekerjaan Quess Recruit SDN. BHD.	11	Subsidiary	Malaysia	100.00%	49.00%
Digitide Solutions Limited (w.e.f 10 February 2024)	Refer Note 36(v)	Subsidiary	India	100.00%	-
Bluspring Enterprises Limited (w.e.f 11 February 2024)	Refer Note 36(v)	Subsidiary	India	100.00%	-
Quess GTS Canada Holding Inc.	-	Subsidiary	Canada	100%	-
Himmer Industrial Services (M) SDN. BHD.	13	Joint venture	Malaysia	-	49.00%
MFX Infotech Private Limited	15	Subsidiary	India	-	100.00%
Greenpiece Landscapes India Private Limited	15	Subsidiary	India	-	100.00%
Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)	15	Subsidiary	India	-	100.00%

1. Wholly owned subsidiary of Brainhunter Systems Ltd.
2. Wholly owned subsidiaries of Quesscorp Holdings Pte. Ltd.
3. Wholly owned subsidiary of MFXchange Holdings Inc.

4. During the year ended 31 March 2024, non-controlling shareholder of Vedang Cellular Services Private Limited ("VCSP"), a subsidiary of the Company, exercised the put option to sell 4.53% stake to the Company resulting in a payout of ₹ 60.52 million. Consequently, shareholding in VCSP has increased to 97%.
5. Wholly owned subsidiaries of Allsec Technologies Limited.
6. On 27 May 2020, Quess Corp Limited acquired additional 25.00% stake in Terrier Security Services India Private Limited, increasing its equity stake to 74.00%. During the year ended 31 March 2022, TSSIPL has allotted 150,000 optionally convertible reedemable preference shares ("OCRPS") having face value of ₹ 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30, out of which 39,000 OCRPS has been converted by the other shareholders of TSSIPL into equity shares in the ratio of 1:10. As a result, the total shareholding in TSSIPL has been decreased from 74.00% to 41.57%.
7. On 28 July 2020, Quess Corp Limited acquired additional 30.00% stake in East Bengal FC Private Limited,, increasing its equity stake to 100.00%. The Company is under liquidation w.e.f 2 September 2020.
8. During the year ended 31 March 2024, Quess Corp Limited acquired balance 46.09% stake in Stellerslog Technovation Private Limited, increasing its equity stake to 100%.
9. During the year ended 31 March 2023, Quess Corp NA LLC was floated by the Group having 100% equity stake.
10. On 20 October 2022, the Company sold its stake in Simpliance Technologies Private Limited.
11. During the year ended 31 March 2024, Quessglobal (Malaysia) SDN. BHD (QUMB) acquired an additional 51% equity interest in Agency Pekerjaan Quess Recruit SDN. BHD. (APKR) which was previously held by QUMB directors out of funds/loans granted by QUMB) by way of trust arrangement and APKR has become subsidiary of the QUMB.
12. During the year ended 31 March 2024, declaration of trust and undertaking is executed between QUPC and other two shareholders of QREC, holding 50% of the stake in QREC, that these shareholder hold the shares in Company in trust for QUPC who is actual and benificial owner thereof. Therefore, majority control (75%)of the Company is with QUPC which is wholly owned subsidiary of the Group. Hence, QREC is considered as subsidiary from 1 January 2024.
13. During the year ended 31 March 2024, the Companies Comission of Malaysia has dissolved the entity w.e.f. 4 March 2024.
14. Quess Services Limited is dissolved w.e.f 20 March 2024.
15. Merged w.e.f. 1 December 2023 pursuant to approval from National Company Law Tribunal.

(iii) Related party transactions during the year (Amount in ₹ millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2024	31 March 2023
Revenue from operations			
Entities having common directors	Go Digit General Insurance Limited	7.80	7.89
	National Collateral Management Services Limited	30.26	41.90
	Net Resources Investments Private Limited	1.10	1.00
Entities controlled by promoters	Careworks foundation	8.79	34.45
	Thomas Cook (India) Limited	53.51	69.64
Other expenses			
Entities having common directors	Net Resources Investments Private Limited	43.11	42.52
	Go Digit General Insurance Limited	7.25	32.83
	Quess Foundation	12.00	-

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for the year ended 31 March 2024

(iv) Balance receivable from and payable to related parties as at the balance sheet date (Amount in ₹ millions)

Nature of balances and relationship	Name of related party	As at 31 March 2024	As at 31 March 2023
Trade receivables (gross of loss allowance)			
Entities having common directors	Go Digit Infoworks Service Private Limited	0.35	0.35
Entities controlled by promoters	Careworks foundation	119.66	74.78
	Thomas Cook (India) Limited	76.63	75.14
Trade payables			
Entities having common directors	Go Digit General Insurance Limited	-	7.37
Unbilled revenue			
Entities having common directors	Net Resources Investments Private Limited	0.10	0.09
Entity in which key managerial personnel have significant influence	Careworks foundation	0.08	1.37
Other assets (non-current and current)			
Entities having common directors	Go Digit General Insurance Limited	2.16	2.65
	Go Digit Infoworks Service Private Limited	0.18	-
	Thomas Cook (India) Limited	1.19	-
Other current financial liabilities			
Entities having common directors	Go Digit General Insurance Limited	-	1.18

(v) Compensation of key managerial personnel*

(Amount in ₹ millions)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and other employee benefits to whole-time directors and executive officers	81.08	60.57
	81.08	**60.57**

*Managerial remuneration does not include cost of employee benefits such as gratuity, compensated absences and provision for these are based on an actuarial valuation carried out for the Company as a whole.

45 Assets and liabilities relating to employee benefits (Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	3,364.48	2,743.40
Liability for compensated absences	192.47	195.27
Total employee benefit liability	**3,556.95**	**2,938.67**
Current (refer note 27)	192.47	195.27
Non-current (refer note 22)	3,364.48	2,743.40
	3,556.95	**2,938.67**

For details about employee benefit expenses, see note 32.

The Group has a defined benefit gratuity plan in India (Plan A), governed by the Payment of Gratuity Act, 1972. Plan A entitles an employee, who has rendered at least five years of continuous services, to gratuity at the rate of 15 days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Group's gratuity scheme for core employees is administered through a trust with the Life Insurance Corporation of India, ICICI Prudential Life Insurance and SBI Life. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan.

The Group has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

The Group expects to pay ₹ 941.55 million contributions to its defined benefit plans in FY 2023-2024.

B Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	3,045.24	2,753.66
Disposals	(38.98)	(4.26)
Current service cost	618.65	554.22
Interest cost	215.05	131.37
Past service cost	1.90	0.62
Benefit settled	(467.01)	(276.79)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	303.98	25.78
- Changes in demographic assumptions	(1.13)	(3.49)
- Changes in financial assumptions	12.18	(135.87)
Exchange fluctuation adjustments	(44.89)	-
Transfer In	36.68	-
Transfer Out	(35.99)	-
Obligation at the end of the year	**3,645.68**	**3,045.24**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	301.84	359.43
Interest income on plan assets	21.84	18.78
Remeasurement - actuarial gain/(loss)	(1.50)	0.11
Return on plan assets recognised in other comprehensive income	(5.26)	(7.07)
Contributions	408.01	190.29
Benefits settled	(443.73)	(259.70)
Plan assets as at the end of the year, at fair value	**281.20**	**301.84**
Net defined benefit liability	**3,364.48**	**2,743.40**

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for the year ended 31 March 2024

C Information on funded and non-funded net defined benefit liability

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Funded	3,209.72	2,562.92
Non-funded	154.76	180.48
Total net defined benefit liability	**3,364.48**	**2,743.40**

D i) Expense recognised in profit or loss

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Current service cost	618.65	553.70
Interest cost	215.05	131.38
Past service cost	1.90	0.62
Interest income	(21.84)	(18.78)
Net gratuity cost	**813.76**	**666.92**

ii) Remeasurement loss/(gain) recognised in other comprehensive income

(Amount in ₹ millions)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Remeasurement of the net defined benefit liability	311.47	(113.58)
Remeasurement of the net defined benefit asset	6.77	6.97
	318.24	**(106.61)**

E Plan assets

(Amount in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	281.20	301.84
	281.20	301.84

F Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended	
	31 March 2024	31 March 2023
Discount rate	7.1% to 7.45%	7.13% - 7.45%
Future salary growth	1% to 10%	1% - 10%
Attrition rate	1% to 90%	30% - 90%
Average duration of defined benefit obligation (in years)	1 to 15.57	1 to 18

G Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, the defined benefit obligation would be as shown below:

Core employees (Amount in ₹ millions)

Particulars	As at			
	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	306.86	350.43	301.91	411.77
Future salary growth (1% movement)	347.72	306.81	409.18	302.88
Attrition rate (1% - 50% movement)	263.42	279.12	340.49	375.78

Associate employees (Amount in ₹ millions)

Particulars	As at			
	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2,803.95	2,910.50	2,289.05	2,385.93
Future salary growth (1% movement)	2,910.93	2,802.66	2,386.53	2,287.79
Attrition rate (10% - 50% movement)	2,781.81	2,950.10	2,264.40	2,429.39

46 Share-based payments

A Description of share based payment arrangement

At 31 March 2024, the Company has the following share-based payment arrangements:

Share option plans (equity settled)

Quess Corp Limited Employee Stock Option Scheme 2015 ("Scheme 2015")

The Board of Directors of the company in its meeting held on 22 December 2015 approved the 'Quess Corp Limited Employee Stock Option Scheme 2015' ('Scheme 2015'), under which stock options are granted to specified employees of the Company. The Scheme 2015 provides for the issue of not more than 475,000 options (1,900,000 bonus adjusted options) with an exercise price of ₹ 10.00 each that would eventually convert into equity shares of ₹ 10.00 each. The options vest over a period of three years and are exercisable over a period of three years from the vesting date of each tranche. As at 31 March 2024, the Company has 2,321 (31 March 2023: 27,841) exercisable options outstanding.

Quess Stock Option Plan 2020 ("Scheme 2020")

The Board of Directors of the company in its meeting held on 31 March 2020 approved the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), under which stock options are granted to specific employees of the Company and its subsidiaries. The maximum number of shares under QSOP 2020 shall not exceed 41,16,072 equity shares. The stock options granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. As at 31 March 2024, the Company has 100,782 (31 March 2023: 88,130) exercisable options outstanding.

Monster ESOP Plan 2021 ("Scheme 2021")

The Board of Directors of Monster.com (India) Private Limited in its meeting held on December 22, 2021 approved the Monster.com (India) Private Limited - Employee Stock Option Plan 2021 (hereafter referred as "Monster ESOP Plan 2021"), under which stock options are granted to specific employees of the Company and its subsidiaries. The maximum number of shares under Monster ESOP Plan 2021 shall not exceed 75,400 equity shares. The stock options granted under Monster ESOP Plan 2021 shall vest based on the designation, period of service, performance linked parameters . The options granted to employee's vest in a graded manner and may be exercised by the employees within a specified period as per terms and conditions of the Scheme. This plan is a share-based payment arrangement in the nature of "Share Option Plan (equity settled)" and will generally vest between a minimum of 1 to maximum of 4 years from the grant date. As at 31 March 2024, the Company has no exercisable options outstanding.

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B Measurement of fair values

Scheme 2015

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are not disclosed since no ESOP's under this scheme was granted during the year.

No options have expired during the current year and previous year.

Scheme 2020

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2024	31 March 2023
Weighted average share price at grant date (INR)	453.26	547.09
Exercise price (INR)	10.00	10.00
Risk free rate of interest (adjusted for dividend yield)	5.27% - 6.31%	3.61% - 6.81%
Expected volatility	28.00% -38.00%	33.00% -42.00%
Expected life of the option	4 - 9 years	4 - 9 years
Weighted average fair value at grant date (INR)	461.61	539.28

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

No options have expired during the current year and previous year.

Scheme 2021

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2024	31 March 2023
Weighted average share price at grant date (INR)	20,450.00	20,450.00
Exercise price (INR)	2.00	2.00
Risk free rate of interest	4.69% - 5.79%	4.69% - 5.79%
Expected volatility	37% - 41%	37% - 41%
Expected dividend	-	-
Expected life of the option	1 - 4 years	1 - 4 years
Weighted average fair value at grant date (INR)	20,450.00	20,450.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

No options have expired during the current year and previous year.

C Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows:

Scheme 2015

(Share price in INR)

Particulars	For the year ended			
	31 March 2024		31 March 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**27,841**	**10.00**	**41,263**	**10.00**
Less: Exercised during the year	(25,520)	10.00	(13,422)	10.00
Less: Lapsed/forfeited during the year	-	-	-	-
Balance as at the end of the year	**2,321**	**10.00**	**27,841**	**10.00**
Options vested and exercisable as at the end of the year	2,321		27,841	

The options outstanding as at 31 March 2024 have an exercise price of ₹ 10.00 (31 March 2023: ₹ 10.00) and a weighted average remaining contractual life of nil years (31 March 2023: nil years)

Details of Grant date of options issued under ESOP scheme 2015 scheme: (Share price in INR)

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2024	31 March 2023
18 August 2017	10.00	2,321	27,841

Scheme 2020 (Share price in INR)

Particulars	For the year ended			
	31 March 2024		31 March 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	15,97,114	10.00	16,89,269	10.00
Add: Granted during the year	4,70,229	10.00	3,74,041	10.00
Less: Exercised during the year	(2,54,376)	10.00	(1,98,374)	10.00
Less: Lapsed/forfeited during the year	(3,75,380)	10.00	(2,67,822)	10.00
Balance as at the end of the year	**14,37,587**	**10.00**	**15,97,114**	**10.00**
Options vested and exercisable as at the end of the year	**1,00,782**		**88,130**	

The options outstanding as at 31 March 2024 have an exercise price of ₹ 10.00 (31 March 2023: ₹ 10.00) and a weighted average remaining contractual life of 4.74 years (31 March 2023: 4.86 years)

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Details of Grant date of options issued under ESOP 2020 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2024	31 March 2023
11 May 2020	10.00	5,26,700	9,34,559
24 July 2020	10.00	11,590	18,784
01 June 2021	10.00	1,33,346	1,92,253.00
10 February 2022	10.00	81,215	94,779.00
15 June 2022	10.00	39,207	47,103.00
14 October 2022	10.00	1,77,739	2,34,452.00
03 February 2023	10.00	75,184	75,184.00
05 October 2023	10.00	2,34,638	-
16 February 2024	10.00	1,57,968	-

Scheme 2021

(Share price in INR)

Particulars	For the year ended			
	31 March 2024		31 March 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	50,240	20,450	42,840	20,450
Add: Granted during the year	11,306	20,450	11,125	20,450
Less: Lapsed/forfeited during the year	(4,730)	20,450	(3,725)	20,450
Balance as at the end of the year	**56,816**	**20,450**	**50,240**	**20,450**

The options outstanding as at 31 March 2024 have an exercise price of ₹ 2 (31 March 2023:INR 2) and a weighted average remaining contractual life of 1.875 years (31 March 2023: 2.875 years)

Details of Grant date of options issued under Scheme 2021:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2024	31 March 2023
22 December 2021	10.00	56,816	50,240

During the year ended 31 March 2024, resolution is passed by the Board of director of Monster.com India Private Limited a wholly owned subsidiary for sub-division of one equity share of face value of ₹ 10 each into five equity share of face value of ₹ 2 each. Therefore, number of grants for the previous year is also restated.

D Expense recognised in consolidated statement of profit and loss

For details on the employee benefits expense, refer note 32.

47 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

(Amount in ₹ millions)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consolidated net assets	Amount	as percentage of consolidated profit or loss	Amount	as percentage of consolidated other comprehensive income	Amount	as percentage of consolidated total comprehensive income	Amount
Parent								
Quess Corp Limited	76.45%	31,023.90	56.79%	3,318.49	102.20%	(212.69)	55.11%	3,105.80
Subsidiaries - Indian								-
Excelus Learning Solutions Private Limited	-0.31%	(126.18)	-4.64%	(271.32)	-0.25%	0.52	-4.81%	(270.80)
Vedang Cellular Services Private Limited	1.29%	524.05	3.55%	207.54	0.57%	(1.18)	3.66%	206.36
Quess International Services Private Limited	0.79%	322.35	-0.25%	(14.56)	-4.38%	9.11	-0.10%	(5.45)
Monster.com (India) Private Limited	1.54%	622.98	-11.33%	(661.82)	-2.20%	4.58	-11.66%	(657.24)
Qdigi Services Limited	0.00%	-	-0.29%	(16.90)	2.11%	(4.39)	-0.38%	(21.29)
Allsec Technologies Limited	6.05%	2,454.45	10.95%	640.02	12.16%	(25.31)	10.91%	614.71
Trimax Smart Infraprojects Private Limited	0.09%	37.09	0.65%	37.79	0.00%	-	0.67%	37.79
Terrier Security Services (India) Private Limited	0.91%	369.51	1.05%	61.62	13.08%	(27.22)	0.61%	34.40
Quess East Bengal FC Private Limited	-0.01%	(2.81)	-0.01%	(0.57)	0.00%	-	-0.01%	(0.57)
Heptagon Technologies Private Limited	0.00%	1.80	4.06%	237.00	-1.77%	3.69	4.27%	240.69
Billion Careers Private Limited	-0.43%	(175.00)	-2.05%	(119.98)	-0.63%	1.32	-2.11%	(118.66)
Stellarslog Technovation Private Limited	-0.05%	(20.55)	-1.16%	(67.65)	-0.14%	0.28	-1.20%	(67.37)
Digitide Solutions Limited	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Bluspring Enterprises Limited	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Subsidiaries - Foreign								-
Brainhunter Systems Ltd.	0.77%	314.29	1.25%	72.93	0.20%	(0.42)	1.29%	72.51
Quess (Philippines) Corp.	0.28%	112.19	0.31%	18.23	0.93%	(1.94)	0.29%	16.29
Quess Corp (USA) Inc.	0.48%	194.79	-0.08%	(4.72)	0.23%	(0.47)	-0.09%	(5.19)
Quesscorp Holdings Pte. Ltd.	7.40%	3,003.67	34.77%	2,032.02	-20.57%	42.82	36.82%	2,074.84
Quess Corp Vietnam LLC	-0.03%	(10.42)	0.00%	(0.14)	-0.15%	0.31	0.00%	0.17
Quessglobal (Malaysia) Sdn. Bhd.	0.48%	194.37	-0.04%	(2.28)	5.33%	(11.10)	-0.24%	(13.38)
Quess Corp Lanka (Private) Limited	0.17%	69.43	-0.08%	(4.69)	-3.34%	6.95	0.04%	2.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

(Amount in ₹ millions)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consolidated net assets	Amount	as percentage of consolidated profit or loss	Amount	as percentage of consolidated other comprehensive income	Amount	as percentage of consolidated total comprehensive income	Amount
Quesscorp Singapore Pte Limited	2.26%	917.86	7.44%	434.59	-0.19%	0.40	7.72%	434.99
MFXchange Holdings, Inc.	1.01%	411.14	1.35%	78.69	-1.55%	3.23	1.45%	81.92
Quess Selection & Services Pte Limited	-0.23%	(94.89)	0.08%	4.85	-0.02%	0.03	0.09%	4.88
Comtelink Sdn. Bhd.	0.05%	20.92	0.00%	-	0.57%	(1.19)	-0.02%	(1.19)
Monster.com.SG PTE Limited	0.06%	22.65	-0.31%	(18.17)	0.13%	(0.26)	-0.33%	(18.43)
Monster.com HK Limited	-0.05%	(22.23)	-0.07%	(4.14)	0.18%	(0.37)	-0.08%	(4.51)
Agensi Pekerjaan Monster Malaysia Sdn. Bhd	-0.03%	(13.45)	-0.28%	(16.50)	-0.10%	0.21	-0.29%	(16.29)
Quesscorp Manpower Supply Services LLC	1.15%	466.89	0.76%	44.61	-3.03%	6.31	0.90%	50.92
Quesscorp Management Consultancies	-0.22%	(89.69)	-0.02%	(1.18)	0.68%	(1.42)	-0.05%	(2.60)
Quess Services Limited	0.00%	(1.57)	-0.01%	(0.72)	0.00%	0.00	-0.01%	(0.72)
Quesscorp NA LLC	0.01%	5.27	-2.44%	(142.86)	0.03%	(0.07)	-2.54%	(142.93)
Quess Recruit, Inc.	0.10%	41.09	-0.02%	(1.46)	0.00%	(0.00)	-0.03%	(1.46)
Agency Pekerjaan Quess Recruit Sdn. Bhd.	0.02%	7.50	0.09%	5.19	-0.07%	0.16	0.09%	5.35
Quess GTS Canada Holding Inc.	0.00%	(0.30)	-0.01%	(0.31)	0.00%	0.00	-0.01%	(0.31)
Subtotal	**100%**	**40,581.28**	**100%**	**5,843.58**	**100%**	**(208.11)**	**100%**	**5,635.47**
Adjustment arising out of consolidation		(12,591.35)		(3,065.02)		(28.30)		(3,093.32)
Non-controlling interests in subsidiaries		1,656.09		25.48		(19.20)		6.28
Total		**29,646.02**		**2,804.04**		**(255.61)**		**2,548.43**

48 The Board of Directors of Allsec Technologies Limited (subsidiary of the Company) , at its meeting held on 06 February 2024 approved the sale of its Labour Law Compliance (LLC) Division on a going concern basis by way of slump sale for a consideration of ₹ 270 million to Aparajitha Corporate Services Private Limited, subject to closing adjustments as defined in Business Transfer Agreement (BTA) dated 06 February 2024. As per the BTA, the closing date of the said transaction was 31 March 2024 which was subsequently extended to 30 April 2024. On 1 May 2024 the closing conditions have been satisfied.

Assets and liabilities in the LLC division were presented as 'assets held for sale' and 'liabilities directly associated with assets held for sale', respectively as at 31 March 2024.

(Amount in ₹ millions)

Particulars	As at 31 March 2024
Non-Current Assets	
Property, Plant and equipment	0.78
Current assets	
Trade receivables	60.26
Other financial assets	19.04
Total Assets classified as held for sale	**80.08**
Non-current liabilities	
Provisions	2.89
Current liabilities	
Trade payables	23.07
Liabilities directly associated with assets classified as held for sale	**25.96**

49 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiaries or associates or joint ventures (incorporated in India) to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company or its subsidiary (Ultimate Beneficiaries). The Company or its subsidiaries or associates or joint ventures (incorporated in India) has not received any fund from any party(s) (Funding Party) with the understanding that the Company or its subsidiary shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 The Code on Social Security, 2020 (''Code'') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

51 Interim Dividend:

The Board of Directors at their meeting held on 2 February 2024 declared interim dividend of ₹ 4.00 per equity share (face value of ₹ 10.00 each) for the financial year 2023-24 aggregating to ₹ 593.91 million.

The Board of Directors at their meeting held on 31 May 2022 and 9 November 2022 declared interim dividend of ₹ 4.00 and ₹ 8.00 per equity share respectively (face value of ₹ 10.00 each) for the financial year 2022-23 aggregating to ₹ 1,777.15 million.

Proposed Dividend:

The Board of Directors at their meeting held on 9 May 2024 recommended a final dividend of ₹ 6.00 per equity share (face value of ₹ 10.00 each) for the financial year 2023-24 aggregating to ₹ 891.06 million.

The Company is in compliance with Section 123 of the Act.

52 The Company evaluated subsequent event through 9 May 2024 which is the date on which the financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the Consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

53 (i) As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company and its subsidiaries incorporated in India are maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The Company and its subsidiaries incorporated in India are maintaining backup of books of account on a daily basis, except for one application where the Company has maintained the backup on quarterly basis.

(ii) The Company and its subsidiaries incorporated in India have used accounting softwares for maintaining its books of account, which has a feature for recording an audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that:

- In respect of one accounting software used by the Company and two subsidiary companies, audit trail feature was not enabled at the table and database level to log any direct data changes,
- In respect of one accounting software used by a subsidiary company, audit trail was not enabled at the application and database level to log any direct data changes, and
- In respect of one accounting software used by three subsidiary companies for maintaining its books of account did not have a feature of recording audit trail (edit log) facility at the application level for certain transactions.

The Company has also used two other accounting softwares, which is operated by a third-party software provider, for maintaining the books of account relating to financial reporting process and payroll process. There is no reporting on audit trail in the System and Organisation Controls (SOC 1) Type 2 Report of the third-party software. In respect of one accounting software used by the three subsidiary companies for maintaining its books of account, the subsidiary companies are not in the possession of System and Organisation Controls (SOC 1) Type 2 Report.

54 Other Disclosure

54.1 The Company has not been declared wilful defaulter by any bank or financial institution or Other lender.

54.2 The Company has complied with requirement of number of layers of companies

55 Previous year's figures have been regrouped / rearranged wherever necessary.

ANNEXURE TO THE BOARD'S REPORT

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1)

Part A: Subsidiaries

(Amount in ₹ millions, except % of shareholding and exchange rate)

Sl. No.	Name of the subsidiary	Date of acquisition/ incorporation	Reporting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
1	Brainhunter Systems Limited	23.10.2014	CAD	61.27	31.03.2024	385.39	(167.98)	516.00	477.39	-	1199.45	28.29	-	28.29	100%
2	Mindwire Systems Limited [1]	23.10.2014	CAD	61.27	31.03.2024	128.08	96.87	336.79	61.11	-	2,142.17	62.18	17.54	44.64	100%
3	Quess Corp (USA) Inc.	19.11.2014	USD	83.41	31.03.2024	6.25	188.53	228.93	34.15	-	-	(4.72)	0	(4.72)	100%
4	Quess (Philippines) Corp.	14.05.2013	PHP	1.48	31.03.2024	12.27	99.91	192.95	80.76	-	386.28	23.09	(4.85)	18.23	100%
5	Quesscorp Holdings Pte Ltd.	16.06.2015	SGD	61.74	31.03.2024	2227.86	775.81	3067.90	64.23	-	33.42	2073.23	(41.21)	2032.02	100%
6	Quessglobal (Malaysia) Sdn. Bhd.[2&11]	12.08.2015	MYR	17.62	31.03.2024	8.33	186.04	275.27	80.90	-	717.64	(7.15)	4.88	(2.28)	100%
7	MFXchange Holdings, Inc.	01.01.2016	USD	83.41	31.03.2024	3090.39	(1362.40)	1982.20	254.21	-	409.69	57.99	10.86	47.14	100%
8	MFXchange US, Inc.[3]	01.01.2016	USD	83.41	31.03.2024	0.00	(1316.85)	1290.53	2607.38	-	2,039.17	32.88	1.32	31.56	100%
9	Excelus Learning Solutions Private Limited	09.01.2017	INR	NA	31.03.2024	0.10	(126.28)	67.48	193.66	-	107.76	(224.86)	(46.46)	(271.32)	100%
10	Quess International Services Private Limited	01.12.2016	INR	NA	31.03.2024	10	312.35	447.56	125.21	-	875.18	(8.44)	(6.12)	(14.56)	100%
11	Quesscorp Singapore Pte Ltd[2]	14.02.2017	SGD	61.74	31.03.2024	23.57	894.29	1846.89	929.04	-	8360.65	532.33	(97.74)	434.59	100%
12	Quess Corp Lanka (Private) Limited[2]	26.04.2016	LKR	0.28	31.03.2024	5.53	63.90	175.38	105.95	-	542.07	6.79	(11.47)	(4.69)	100%
13	Vedang Cellular Services Private Limited[13]	10.11.2017	INR	NA	31.03.2024	1.82	522.23	1078.79	554.74	-	2256.15	263.44	(55.90)	207.54	96.97%
14	Comtelink Sdn. Bhd	14.11.2017	MYR	17.62	31.03.2024	15.61	5.31	21.09	0.17	-	0.00	0.00	0.00	0.00	100%
15	Quess Selection and Services Pte Ltd [2]	10.10.2017	SGD	61.74	31.03.2024	9.64	(104.53)	41.06	135.94	-	59.89	4.85	-	4.85	100%
16	Monster.com (India) Private Limited	08.02.2018	INR	NA	31.03.2024	0.60	622.38	2445.48	1822.50	-	1247.67	(661.82)	0.00	(661.82)	83.12%
17	Monster.com.SG PTE Limited[4]	08.02.2018	SGD	61.74	31.03.2024	161.59	(138.94)	298.81	276.15	-	151.54	(18.17)	0.00	(18.17)	100%
18	Monster.com HK Limited[4]	08.02.2018	HKD	10.66	31.03.2024	318.71	(340.95)	5.30	27.54	-	4.44	(4.14)	0.00	(4.14)	100%
19	Agensi Pekerjaan Monster Malaysia Sdn. Bhd[4]	08.02.2018	MYR	17.62	31.03.2024	8.18	(21.62)	91.98	105.42	-	63.14	(16.50)	0.00	(16.50)	49%

Sl. No.	Name of the subsidiary	Date of acquisition/ incorporation	Reporting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
20	Quess Corp Vietnam LLC	26.03.2018	VND	0.00	31.03.2024	13.00	(23.42)	23.58	34.00	-	119.99	(0.14)	0.00	(0.14)	100%
21	Quesscorp Management Consultancies[2]	19.12.2018	AED	22.71	31.03.2024	3.82	(93.51)	(73.76)	15.93	-	1.41	(1.18)	0.00	(1.18)	100%
22	Quesscorp Manpower Supply Services LLC[2]	31.01.2019	AED	22.71	31.03.2024	0.00	466.89	681.36	214.46	-	1804.92	44.61	0.00	44.61	100%
23	Qdigi Services Limited[9]	11.04.2018	INR	NA	31.03.2024	0.00	0.00	0.00	0.00	-	3715.71	(27.23)	10.33	(16.90)	100%
24	Trimax Smart Infraprojects Private Limited	15.10.2019	INR	NA	31.03.2024	0.10	36.99	99.02	61.93	-	139.25	37.79	0.00	37.79	100%
25	Quess Services Limited[10]	25.06.2019	BDT	0.76	31.03.2024	3.49	(5.07)	1.65	3.23	-	0.00	(0.72)	0.00	(0.72)	100%
26	Allsec Technologies Limited	03.06.2019	INR	NA	31.03.2024	152.38	1482.00	2645.38	861.00	-	2499.00	447.00	164.00	283.00	73.38%
27	Allsectech Inc., USA[5]	03.06.2019	USD	83.41	31.03.2024	-	(64.00)	415.00	53.00	-	1,857.00	9.00	-	9.00	73.38%
28	Allsectech Manila Inc., Philippines[5]	03.06.2019	PHP	1.48	31.03.2024	-	884.00	616.00	308.00	-	338.00	395.00	47.00	348.00	73.38%
29	Terrier Security Services (India) Private Limited	09.12.2016	INR	NA	31.03.2024	8.90	360.61	1,780.00	1,410.49	-	5,838.6	21.92	39.70	61.62	48.05%
30	Heptagon Technologies Private Limited[7]	22-06-2017	INR	NA	31.03.2024	0.36	1.44	56.53	54.73	-	159.3	237.00	-	237.00	100.00%
31	Billion Careers Private Limited	26-11-2021	INR	NA	31.03.2024	60.10	(235.10)	132.73	307.73	-	65.3	(119.98)	-	(119.98)	100.00%
32	Quess East Bengal FC Private Limited[6]	13.07.2018	INR	NA	31.03.2024	14.79	(17.60)	41.63	44.45	-	-	(0.57)	-	(0.57)	100.00%
33	Stellarslog Technovation Private Limited[8]	29.01.2021	INR	NA	31.03.2024	38.34	(58.89)	19.51	40.05	-	18.1	(67.63)	(0.03)	(67.65)	100.00%
34	Quess Corp NA LLC	17.05.2022	USD	83.405	31.03.2024	229.16	(223.89)	40.80	35.53	-	38.4	(118.67)	(22.8)	(141.43)	100.00%
35	Agensi Pekerjaan Quess Recruit Sdn. Bhd.[13]	23.01.2018	MYR	17.62	31.03.2024	4.21	3.28	4.80	(2.66)	-	6.8	4.72	0.5	5.19	100.00%
36	Quess Recruit, Inc.[12]	01.01.2018	PHP	1.48	31.03.2024	1.49	39.61	40.50	(0.59)	-	2.9	(0.82)	(0.6)	(1.46)	75.00%
37	Digitide Solutions Limited[14]	10.02.2024	INR	NA	31.03.2024	0.10	-	0.10	-	-	-	0.01	-	0.01	100.00%
38	Bluspring Enterprises Limited[14]	11.02.2024	INR	NA	31.03.2024	0.10	-	0.10	-	-	-	0.01	-	0.01	100.00%
39	Quess GTS Canada Holdings Inc.	05.10.2023	CAD	NA	31.03.2024	0.01	(0.31)	0.01	0.31	-	-	(0.31)	-	(0.31)	100.00%

1. Wholly owned subsidiary of Brainhunter Systems Limited.

2. Wholly owned subsidiaries of Quesscorp Holdings Pte. Limited.

[3] Wholly owned subsidiary of MFXchange Holdings Inc.

[4] Subsidiaries of Monster.com India Private Limited

[5] Wholly owned subsidiaries of Allsec Technologies Limited.

[6] Quess East Bengal FC Private Limited is under liquidation.

[7] On 30 March 2024, Quess Corp Limited acquired an additional stake of 39.33% in Heptagon Technologies Private Limited thereby increasing its stake to 100% and making it a wholly owned subsidiary.

[8] On 6 November 2023, Quess Corp Limited acquired an additional stake of 46.09% in Stellarslog Technovation Private Limited thereby increasing its stake to 100% and making it a wholly owned subsidiary.

[9] On 31 March 2024, Quess Corp Limited sold 100% stake in Qdigi Services Limited. The disinvestment process was completed and Qdigi ceased to be a subsidiary of the Company w.e.f April 01, 2024.

[10] Quess Services Limited is dissolved w.e.f 20 March 2024.

[11] Quessglobal (Malaysia) SDN. BHD. indirectly holds remaining 51% equity interest in Agency Pekerjaan Quess Recruit SDN. BHD. (APKR) by way of a trust arrangement making it a subsidiary as per INDAS.

[12] A declaration of trust and undertaking is executed between Quess (Philippines) Corp and the other two shareholders of Quess Recruit Inc., holding 50% of the stake in Quess Recruit Inc., that these shareholders hold the shares in Company in trust for Quess (Philippines) Corp who is actual and beneficial owner thereof. Therefore, majority control (75%)of the Company is with Quess (Philippines) Corp making it a subsidiary.

[13] On November 15, 2023, Quess Corp Limited acquired 4.5% stake in Vedang Cellular Services Private Limited thereby increasing its shareholding to 96.97%.

[14] The Company has incorporated two new wholly subsidiaries during the year.

Notes:

1 Total assets include investments.

2 Investments exclude investments in Subsidiaries.

3 Reserves and surplus include other comprehensive income and securities premium and instruments entirely equity in nature.

Part B: Associate/ joint venture

Sl. No.	Name of the associate/ joint venture	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year	
				Number	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
1	Himmer Industrial Services (M) SDN. BHD.[15]	31.12.2022	28.03.2017	49,000	-	49.00	More than 20% holding	No control	(2.60)	-	-

[15] The Company was struck off w.e.f 4 March 2024 by the Companies Commission of Malaysia upon application by the Company.

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