

**INSPIRISYS SOLUTIONS LIMITED**  
**TRANSCRIPT OF THE 26TH ANNUAL GENERAL MEETING**

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Day & Date:	Friday, 24th September, 2021
Time:	2:00 PM
Deemed Venue of the Meeting:	First Floor, Dowlath Towers, New Door Nos. 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai - 600 010

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**2:00 PM – Mr. S.Sundaramurthy, Company Secretary.**

Good Afternoon everybody since sufficient quorum is there, I request the Chairman to preside over the meeting.

**Mr. Malcolm F. Mehta, Chairman & Chief Executive Officer.**

Good afternoon everyone and welcome to this Annual General Meeting of Inspirisys Solutions Limited being held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM). This is the second time that we are conducting our AGM through VC/OAVM.

Since the Covid-19 pandemic last year and the various strict measures, including limitations on the number of people allowed together indoors, put in place by the government, this meeting is being held through Video Conferencing (VC) / Other Audio Video Means (OAVM). All the shareholders have been sent communication for participation in this AGM by e-mail. This is in compliance with the Circulars issued by the Ministry of Corporate Affairs, the GOI and the SEBI.

I would also like to welcome all the directors. Dear Shareholders I would like to introduce my fellow Directors of the company Mr. Koji Iketani, who is a Non-Executive Non-Independent Director, Mrs. Ruchi Naithani, Mr. Rajesh R. Muni, Mr. M S Jagan and Mr. Raj Khalid, who are Independent Directors. Mr. Khalid is travelling overseas and expected to join us, who has not joined us, we are expecting him to join anytime.

Mr. Raj Khalid, Independent Director communicates “I have already joined”.

**Mr. Malcolm F. Mehta, Chairman & Chief Executive Officer.**

Mr. Murali Gopalakrishnan, Chief Financial Officer & Mr. S.Sundaramurthy, Company Secretary and our Statutory Auditors and Secretarial Auditor are also present at this meeting.

I would like to announce that the number of shareholders present in this meeting are 47. And we have recorded their presence at the meeting.

I would like to inform you that 1 representation under Section 113 of the Companies Act, 2013 has been received by the Company and the same is registered”.

As the requisite quorum is present, I call the meeting to order.

The Register of Director Shareholdings under Section 170 and Register of Contracts or Arrangements in which Directors are interested, under Section 189 of the Companies Act, 2013 are available for inspection. These will remain accessible to the members for inspection electronically if they so desire.

I wish to inform you about the presence of the respective Chairman/Chairperson of various committees of the Board of Directors.

- Audit Committee - Mr. Rajesh R. Muni
- Nomination and Remuneration Committee – Mrs. Ruchi Naithani
- Stakeholders Relationship Committee – Mr. Raj Khalid

I would like to request the Members to consider that the Notice convening this AGM and the Directors Report already sent to the Members electronically as read.

I wish to give a brief speech on the Company's performance during the year and future plans for the shareholders.

### **Chairman's speech**

Welcome once again to all of you at this Virtual AGM. Thank you for taking out time to attend this AGM. I hope you and your dear ones are doing well, safe and healthy.

The last year and a half has been extremely challenging for man-kind in general and most of the businesses globally. The once in a life time Covid-19 pandemic has drastically impacted our business globally. We had turned positive the financial year ending 31st March 2020 and were looking at carrying on with that momentum into the financial year starting 1st April 2020 when we were hit hard due to the pandemic and the resultant lockdowns. The first two quarters (April-June & July-September 2020) were severely impacted due to the nationwide lockdown followed by the state implemented lockdowns. The System Integration (product/hardware) and WMS business in India were the ones that took a major hit as movement of goods and people were restricted. Both these businesses together account for about 45% of the revenue in India and with the sharp fall in their revenues the company suffered losses. As things opened up gradually from the third quarter, business did improve but it was not good enough to make good the shortfall of the first two quarters. The Company achieved a marginal profit on standalone basis but went in loss on consolidated basis in the financial year ending 31st March 2021. Revenues were lower than the previous financial year. The standalone EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) reduced from INR2,989 lacs in 2020 to INR1,605 lacs in 2021. On a consolidated basis the EBITDA came down from INR2,748 lacs to INR1,509 lacs. Like in the previous financial year, the revenue was mainly impacted due to the sharp decline in the System Integration business primarily because of the pandemic and resultant lockdowns not just in India but also in Dubai. The economic impact on the overall business is also quite significant as although with Work From Home we were able to carry on the Enterprise Services business the new business was limited and whatever opportunities that came up were with extremely low margins. Even in the case of existing services contracts that came up for renewal the customers were expecting lower rates which resulted in further reduction in the margins. Large public sector turn-key projects that were in the pipeline got delayed or the budgets were revised downwards or in some cases completely scrapped.

While in the previous financial year 2019-20 the subsidiaries especially ISDMCC improved its performance significantly and was profitable, this time ISDMCC revenues dropped sharply and it ended up in losses. In case of ISNA, while the revenues declined compared to the previous financial year the losses were reduced considerably and with the offshore work overall it was profitable as a region. ISJKK operations continue to be suspended. In the previous financial year the subsidiaries had contributed positively, however, this financial year 2020-2021 the contribution is negative. With the economic stimulus rolled out by the US government late last year and again earlier this year the demand for IT has grown significantly and we have seen new opportunities not just in the US but also for offshore work from India.

The travel restrictions due to the Covid-19 pandemic put in place by the US and UAE impacted our business considerably as we could not send people to work onsite. During the last quarter of the financial year we got several new opportunities but due to travel restrictions put in place we were unable to send engineers which has led to delay in completion of certain projects and loss of opportunities too.

I would like to now briefly touch upon the focus areas of the company. The company is investing and continues to focus on adoption of new technologies, competency building and offering value added services across its 6 Practices viz., Infrastructure, Cloud, Enterprise Security, IOT, Banking and Product Engineering Development, which is imperative for long term growth and sustenance. With the varied offerings and capabilities being built in the new technologies, the company is gearing up to offer a wide spectrum of services that are in demand both in domestic and overseas markets. The ability to stitch together complex, integrated solutions that address the needs of all stakeholders in the enterprise, along with the high level of trust in customer relationships, should help us win transformation deals.

Continued Covid-19 Pandemic situation has staggered the market demand and investment plans affecting business opportunities. Our focus on Infra, Cloud and Security and the agility and flexibility to cross leverage these platforms, will help the company to capitalise on the situation. Also, the shift towards technologies like Cloud based, Automation, Artificial Intelligence etc. and our investments on the RIM and SOC is expected to fetch us positive results.

Industry vertical specific service offerings have been formulated with key focus verticals continuing to be BFSI, Manufacturing, Telecom, Healthcare and Govt./Public Sector. Our GTM structure and leverage across practices to provide end to end IT solutions has helped to address cross sell and upsell opportunities from our existing as well as prospective clients.

A reliable and robust Global Delivery framework has been established to ensure delivery excellence and assurance with enhanced customer delight and satisfaction. With the IT industry heavily dependent on people skills, we continue to enhance our human capital by acquiring the best talent available in the market, providing a supportive and vibrant workplace to engage that talent, investing in upskilling individuals with the latest technology skills, and providing them career paths matching their aspirations. We continue to have growth oriented strategic alliances and engagements in place with 50+ OEM's & Partners at various Partnership levels to complement and strengthen our portfolio of offerings & capabilities.

The key focus of the Company continues to be on increasing the share of the services business in India, increase the share of the exports / overseas business, cross-sell its services across divisions and geographies, develop niche products and services and target private sector including multinational companies in India, thereby, improving the profitability of the Company going ahead.

As a responsible corporate entity, the company has contributed a sum of Rs. 20.09 Lakhs as part of the Corporate Social Responsibility (CSR) to ICT Academy Chennai towards Education / Technical and Soft Skill Development for students in rural areas of Andhra Pradesh, Delhi NCR, Kerala, Maharashtra, Tamil Nadu and Telangana.

In the last AGM I had mentioned about disruption bringing new opportunities as well as some positive changes. We are now more than a year and a half and still a large number of employees are working from home. While the concept of WFH is likely to continue we do expect changes happening and at least partial return to Work From Office. WFH has enabled us to save on office rentals, travel, utility costs etc. We expect things to evolve before a new work model is established. In the past year and a half several initiatives have been taken to cut cost by renegotiating rental premises contracts, moving into smaller premises, consolidation of offices, digitization, travel and conveyance etc. While physical meetings were limited, virtual internal meetings amongst senior and mid management were held through Audio/Video facility to take updates on business, strategize and put into action plans. Similarly, virtual meetings were held with customers including conducting of web seminars and sales presentations.

Inspite of the numbers being far from satisfying please be rest assured that the board and the management will strive and do their best to improve the performance of the company even in this challenging time. On behalf of the Board and Management I would like to thank all the shareholders for their understanding and reposing their faith in the Company. I would also like to take this opportunity to thank the Board Members, Management and all the employees of the Company for their support and cooperation. I also want to express my sincere appreciation to our customers, partners, bankers and all other stakeholders. A special thanks to the Statutory and Internal Auditors and Secretarial Auditor. Last but not the least, I would like to mention that CAC Holdings Corporation has continued to provide us with the necessary financial and other support required by the Company and I would like to express my sincere appreciation for the same. Please do take care of yourself and your family. Stay safe, stay blessed. With this I would like to conclude my speech. Thank you very much for your patience.

Now I would like to request Mr. S. Sundaramurthy, our Company Secretary to read the qualifications / observations / comments / remarks from the Statutory Auditors Report and treat the other parts of the Auditors report to be taken as read.

**S.Sundaramurthy, Company Secretary**

Thank you Chairman.

**The Qualifications, Observations, comments or other remarks on the financial transactions mentioned in the Statutory Auditors Report.**

**As disclosed in Note No. 7c (Trade receivables) to the Standalone Financial & Consolidated Financial Statements.**

c) The Company has a trade receivable of Rs. 3,200 Lakhs as on March 31, 2021 from one of its subsidiary Company Inspirisys Solutions North America, Inc (ISNA). The balance reflects accumulation of receivables since 2016-17. ISNA Inc the wholly owned subsidiary of Inspirisys Solutions Ltd (ISL), India is the marketing arm for the offshore services offered and delivered to the US customers of ISNA from ISL India. ISNA has been working with customers in North America and have been engaging them for onsite business in the US and offshore business for ISL India. The trade receivables in the books of ISL India represents services performed and billed on ISNA over the years in respect of offshore services for the clients of ISNA. The Management is working on turning around the business performance of ISNA and are hopeful of generating profits to pay ISL India against the trade receivables and to this effect have drawn up business

plans for the subsidiary for the next few years. In view of the above, the Management considers not making any provision towards any expected credit loss against these Accounts Receivable from ISNA including GST liability if any on such export receivables together with interest thereon as we are hopeful of collecting the dues from ISNA.

The explanations / comments are given by the Board of Directors in the Annual Report at Page no. 12.

Thank you very much.

Over to you Mr. Chairman.

**Mr. Malcolm F. Mehta**

Thank you Mr. Sundaramurthy.

I would like to inform you that the Company provided Remote e-voting facilities to all the shareholders which got over yesterday at 5:00 p.m. Those who have not voted through 'remote e-voting', the facility for voting electronically is provided at the AGM for the members. This facility is for all the shareholders who have not voted through remote e-voting. They will be able to vote here. I would also like to inform the members that show of hands is not permissible at the AGM.

I wish to inform the shareholders that the Board of Directors has appointed Mr. M. Alagar, Practicing Company Secretary (Membership No. F7488 and CoP No. 8196) of M/s. M. Alagar & Associates, Practicing Company Secretaries, Chennai as the Scrutinizer to scrutinize the voting process (both remote e-voting and e-voting process at the AGM), for the resolutions included in the notice of the 26th AGM.

### **Questions & Answers Session**

Now, I would like to request the members who have registered themselves as speaker shareholders to ask their questions and / or provide any comments on the financial statements for the financial year ended 31st March, 2021 along with the report of the Auditors and Directors thereon and to invite questions on any of the agenda items stated in the notice calling the AGM.

All shareholders are requested to give their name and folio number before they ask their questions. You are requested to keep your questions to the point and the time available to each speaker shareholder is three minutes. Please refrain from talking for a long time as this will take away the time for other shareholders to ask their questions. Please direct your questions to the concerned financial year and relevant to the Company. Thank you for your cooperation in advance.

**Moderator:**

Thank you, Sir.

Dear Shareholders, we will now move on to the Q&A session. We will take questions in the order as how speaker shareholders have registered themselves.

We have speaker shareholder Mr. Mohammed Shahnawaz connected. Kindly proceed with your question. You are kindly requested to limit your speech to a maximum of 3 minutes.

Mr. Shahnawaz can you hear us.

We will move on to the next shareholder.

Our next question is from Mr. Sanni Bhushan.

**Mr. Sanni Bhushan**

Good Evening Sir. Am I audible.

**Moderator:**

Yes Sir, You are kindly requested to limit your speech to a maximum of 3 minutes.

**Mr. Sanni Bhushan**

Ya Ya definitely I will, Sir actually my first question is that:

1. It is seen in the Q1 result that the main reason for underperformance of the company is due to covid, but during the same period other IT companies have very well performed and even you can say outperformed. What is the reason that covid is still affecting the performance of the company and what action the company is taking to overcome it?
2. What is the major order in hand, now with the company?
3. Which segment of your business is getting affected due to covid most?

**Mr. Malcolm F. Mehta**

Ya I will answer the question. Thank you for the question Mr. Bhushan. This is Malcolm Mehta. I am assuming that you are talking about Q1 for 21-22, is that the case or you are talking about Q1 for 20-21.

**Mr. Sanni Bhushan**

21-22 I am talking.

**Mr. Malcolm F. Mehta**

That's what ok so anyway although it is for this financial year that you are talking about see again this financial year the second wave you are talking about that period right.

**Mr. Sanni Bhushan**

Ya Ya Ya correct sir

**Mr. Malcolm F. Mehta**

You are talking about first quarter for this financial year and whereas the AGM and the agenda & discussion is for financial year 20-21, in any case since you asked this question again some of the things are similar to what actually happened in the first quarter of financial year that we are in this meeting to

discuss which is April – June 20 period we have business in India which is basically predominantly having high sort of weightage on the hardware products side as well as the WMS and last year that is for the financial year we are discussing today also in that quarter we had the same impact this year we had the second wave, where again the State Governments have declared these lock downs. However our business is depended on the product and the WMS in India to a large extent 40+% of our revenue of India come from the product & the WMS business and these business is very much dependent on the movement of goods as well as people that is for WMS we need the people to walk into our centers you know for providing them services now when lock downs are happening, happened even last year that is from March 2020 onwards also those things those type of business do not happen and in the products part we are also having lot of business coming from Government and PSUs which are reasonably large opportunities some times going into 10,15, 20 crores and excess and these opportunities also got impacted from last year and I think the impact on the business was there that even without the lockdowns that were there, in the two quarters we had from the October last year. However, in other Company's case, if you look at the other IT Indian Companies cases majority of the i.e. 80% to 90% of the business are done out of India, outside of India and its more on the services part and they are not doing that much business on the products and the WMS business is itself is unique you will not find IT Companies doing WMS business most of the time so that differentiator on the services business happening which can happen with Work From Home which has happen with us also we have also carried the Enterprise Sale, the Enterprise business happening services business happening with people working from home. But when I comes to Hardware Product related business or the WMS business we definitely need movement could happen we definitely need people to walk into the centre's for us for them to provide with the services in our case the ratio of overseas business compared to the domestic business is also actually almost opposite we have got about 79-80% of our revenues coming from India and only about 20 % coming outside from India so when that happens we can understand that the impact for us is going to be more severe when what could have you know in other IT Companies cases.

**Mr. Sanni Bhushan**

Ya Thanks a lot. Sir, hope this year will be good enough for your organisation and for us also.

**Mr. Malcolm F. Mehta**

Ya then I mean as I mentioned in my speech you know 2019-20 was the year where we made profit and we were actually you know on sort of path towards further growth & profitability.

**Mr. Sanni Bhushan**

Ya ya correct. Is there we can know that a good order or major order you can say that is there in your hand that you are going to perform this year.

**Mr. Malcolm F. Mehta**

So again even last year you know inspite of whatever happened as I said in the 2 quarters that we were able to run the business normally without these lock downs happening that is from October to March we reasonably you know reasonable recovery in the business and we were able to close some of the opportunities you know in the Infra i.e. the Hardware Product part as well as on the services part. But again with the second wave that again got impacted so here sort of in a similar situation that we had in the last year hopefully you know last year of course had it continued to quiet late in the year, this year at

least from August we are seeing some positive developments happening there are few opportunities, large opportunities which we are following up, on the large opportunities because we are going work with the Public Sector and the Government it takes a lot of time specially because of the budgetary issues that the customers have their approvals are getting delayed which is resulting in our getting the order delayed.

**Mr. Sanni Bhushan**

Ok as such we cannot say that some big orders mention here in this forum that it is your hand and we have to execute.

**Mr. Malcolm F. Mehta**

Ya so I said we are pursuing them but you know we need to close that.

**Mr. Sanni Bhushan**

Ok ok correct. Ok thanks a lot, Thanks for your valuable inputs.

**Moderator:**

Thank you Mr. Sanni Bhushan.

Mr. Shahnawaz, Sir kindly ask your question, you are requested to limit your speech to a maximum of 3 mins.

**Mr. Mohammed Shahnawaz**

My question was:

1. What is the status of order book of the company and outlook for the company?
2. As per the financial results of the company Covid -19 is seen as a possible reason for slowdown in business however during this tenure most of the IT companies have outperformed where inspirisys has not performed. Please clarify the reason?
3. What is the specific different thing Inspirisys is doing which other IT firms do not have?

**Mr. Malcolm F. Mehta**

Sure, I will answer questions, on the order book I will request the CFO to answer to your question. On the other question let me try and answer what you have asked. So with regards to Covid19 impact I think I already answered to previous speaker questions on the same point. However let me touch upon what you have asked about differentiators compared to other Indian IT Companies or IT Companies and as far as we are concerned I already mentioned about dependency we have on the products related, WMS related business in India we are dependent on movement of goods & people so that dependency is quite significant and as I mentioned 40+% of the revenues in India are dependent on product & WMS. With regards to the differentiators as far as we are concerned we can provide end to end IT solutions across Industry verticals. We are primarily on the IT Infrastructure space where we have provided customers across industry verticals services over last 20+ years and we also have the capabilities over the last few years from Enterprise Security, Application Development and the last year and a half too we have started



working on IoT. Its still in a sort of beginning stage but we have done some good work and we are trying few of our own IPs you know this we feel in the long run should help us to position ourselves as a single shop for all the IT requirements that any enterprise can have. Also we have a manufacturing unit where KIOSK are assembled and these provides to railway stations for automatic ticket vending machines or at the banks where these are deployed as passbook printing / cheque deposit machines. The other thing which we have been able to sort of include in the offerings is our product called GBM Ultra which is banking product. The product works in tandem with the core banking application and handles Government business modules such as Pension Funds, Direct Taxes, Indirect Taxes etc., Now even the private banks have been permitted by RBI to provide those services so we see good potential for GBM Ultra in the banking industry going ahead so these are few things I would like to touch upon in response to your question over here. With regard to the order book I would like to have Mr. Gopalakrishnan to talk about the order book position as of now.

**Mr. Murali Gopalakrishnan**

Thank you Chairman.

Good Afternoon, Shahnawaz

This is Murali here the CFO.

**Mr. Mohammed Shahnawaz**

Good Afternoon

**Mr. Murali Gopalakrishnan**

The order book position as on date is we need to bill for rest of the year is about Rs 130 crores on the services business which is the data that I can share at this point of time. This is what we can bill the customers and generate revenue for rest of the period starting from September onwards till March 2022.

**Mr. Mohammed Shahnawaz**

Ok it is quiet less if you see the revenue what we have generated last year Sir.

**Mr. Murali Gopalakrishnan**

So this financial year that we are talking about will be only from the services side.

**Mr. Mohammed Shahnawaz**

Sir, Do you mean ok online services, what about the Product / Product Side.

**Mr. Murali Gopalakrishnan**

Ya Product is something which as the Chairman had mentioned that these are things which large projects are at various stages in the pipeline and depending upon when the closure happens with the customers generally Governments & PSUs & Banks the revenue will be recognised.

**Mr. Mohammed Shahnawaz**

Voice is not clear.

**Mr. Murali Gopalakrishnan**

Sorry can you hear me know.

**Mr. Mohammed Shahnawaz**

Yes Sir Yes Sir

**Mr. Murali Gopalakrishnan**

So I was saying that as the Chairman mentioned in the speech and later on also challenges with respect to closure of these projects is with customers like Governments, PSUs and banks and large projects which are being discussed and they are in the pipeline and depending on when they close would also depend on their budget clearances and stuff like that based on which we will be able to get the order to execute them so that is something which right now we don't have anything on hand.

**Mr. Malcolm F. Mehta**

So what is already executed is already there in the numbers he is talking is about the numbers for the balance period of this year and only on the pure play services business.

**Mr. Mohammed Shahnawaz**

Noted Sir, ya, noted Sir, noted this part Sir.

**Mr. Malcolm F. Mehta**

So this for the balance almost six months.

**Mr. Murali Gopalakrishnan**

Yes Sir.

**Mr. Mohammed Shahnawaz**

Right Sir.

And the profitability part because if you see the 400 crore or some odd 400 crore number you have made last year and similar to if I give an example of Allied Technologies and some other company so they are able to make somewhere 25 to 35, 40 crore of profit after tax but in our case on consolidated basis is loss. Can we expect that there will be improvement in the PAT for the rest of the year Sir.

**Mr. Malcolm F. Mehta**

Let me try and answer that question so in fact during my last AGM as well as earlier years also we have been wanting to sort of transform the overall dependency on the Product related Hardware related business and grow the services business, now on the services related business while we did have a major success in 2019-20 that was when we saw that in spite of the revenue going down from compared to that previous year of that year we were still having better profitability that was primarily because of our services business was growing and the Product, Hardware licenses related business was sort of kept in control or not increase too much to help us you know be more profitable, also we have taking conscious calls of not getting into projects which are extremely low margin so many of these opportunities which have come up in a one and half years because of the overall economy situation, the customers budgets also reduced drastically and therefore the services or the rate or the price they expect from us is extremely low which gives us hardly any margin at times so we had consciously taken call to not participate in such opportunities. However, overall business has been what it is so we cannot just sort of not take up opportunities, we are looking at certain opportunities even at low margins with the expectation that we would be in a position to go ahead and improve on the productivity as well as try and reduce our cost to the extent possible and help us to improve on the margin so these are things which we have been again you did mention for a comparison company and all that and I am not very clear on what exactly they are into but as I mentioned in my earlier response also to you that because of the dependence 40%+ of our revenues coming from Product & WMS and only 20% of our revenues are coming from overseas, these are things actually we are looking at changing those ratios we were to a certain extent you know successful in that in the year 2019-20 but last year and the financial year in question we definitely took a big hit overall on the business and some of the key reason is what I mentioned now.

**Mr. Mohammed Shahnawaz**

In this 130 as you said in services, what is the ratio overseas and domestic Sir.

**Mr. Malcolm F. Mehta**

Let the CFO answer that.

**Mr. Murali Gopalakrishnan**

The overseas would be about a 13, 14 crores out of 130 crores, 10 %

**Mr. Mohammed Shahnawaz**

Only 10%

**Mr. Murali Gopalakrishnan**

Ya Ya

**Mr. Mohammed Shahnawaz**

And Sir just hold on this is my last question we will give up after this one is in your AGM in that you have mentioned that PBIT for last year was 8% and you could able to match the PAT of 2% and something and

this year you have a done only 5% of PBIT and EBIT margin to be very accurate and PAT was 0 and I mean that is ok that it is negative this is the basic margin where I mean if I say as an ideal condition are you working at 8% only or it might have be because of some other provision in the cost or cost structure or may be because of the some debt issues.

**Mr. Murali Gopalakrishnan**

So you are referring to the AGM in the sense Directors Report or where you referring.

**Mr. Mohammed Shahnawaz**

Annual Report Sir Annual Report.

**Mr. Murali Gopalakrishnan**

Annual Report, but are you referring to P&L for the year.

**Mr. Mohammed Shahnawaz**

Ya Ya in that there was a one tabular statement was there every data was given how much PAT you have made and how much EBIT was there so that is what I am referring, for this year you have shown as 0 as a PAT and EBIT was 75% and last year 8% and PAT 2%.

**Mr. Murali Gopalakrishnan**

Ok Ok

**Mr. Mohammed Shahnawaz**

Normally IT Companies will have PAT to my understanding 8 to 9%.

**Mr. Murali Gopalakrishnan**

Ya as we had also clarified we are not a pure play IT Services Company. We have almost 45% to 50% of our revenues coming from Products and as a System Integrator where the margins are very very low I mean at gross margin level i.e. single digit number therefore we have challenge to really get a PAT of about 8%. So that is the reason why we are in the process of seeing how we can actually improve our revenue from services business and swapping it with the Products that we are doing now so that something which is very much in the cards in the future we will see such changes happening.

**Mr. Mohammed Shahnawaz**

You mean to say that the future is bright.

**Mr. Malcolm F. Mehta**

That has to be that way because that is what we are striving for. As I said nobody expected what has happened last year. That put us you know sort of off track. We are gradually coming back and hopefully if

we don't have any third wave or further lock downs and all that I think then we will be able to catch up to the extent possible.

**Mr. Mohammed Shahnawaz**

Thank you Thank you very much Sir my questions are over now.

**Mr. Murali Gopalakrishnan**

Thank you so much.

**Mr. Malcolm F. Mehta**

Thank you very much.

**Moderator:**

Thank you Mr. Mohammed Shahnawaz.

Our next question is from Ms. Bharati Saraf. Please go ahead with your question.

**Ms. Bharati Saraf**

*Haan Ji Namaskar* [Yes Sir, Hi]

**Moderator:**

You are requested to limit your speech to a maximum of 3 mins.

**Ms. Bharati Saraf**

One minute one minute

*Meri aavaaz ah rehi hai*

[My voice is audible]

**Moderator:**

Yes Sir, please go ahead.

**Ms. Bharati Saraf**

Respected Chairman and Board Members, my fellow shareholders. My name is Santosh Kumar Saraf, I am the joint holder in the Bharati Saraf.

Sir, Hope all your Directors are safe and in good health.

**Mr. Malcolm F. Mehta**

Thank you.

**Ms. Bharati Saraf**

I express my condolences to those people who left in the covid pandemic time they may be our employees and I pray to God to give them *shaanti, shaanti*, [peace, peace] and pray to God to give them their family, help their family to come out of hard time.

1. What's the REAL impact of Covid-19 pandemic? In % terms how your chain has affected?
2. Sir what is Capex plan for next three years?
3. How many employees we have sacked, hired and salary cut in % if any?
4. What are the cost cutting initiatives done by the management for upcoming third wave of COVID19 pandemic.
5. What is the policy related to dividend in our company as most of the senior citizens only depend on that ?
6. Sir what is the Capex plan of management for the next 3 years to increase growth and income of Company?
7. Sir kindly let me know the order book position at present and new products introduce during the year.
8. Sir kindly let me know the step is taken to fulfill the vision of LOCAL FOR VOCAL and AATAM NIRBHAR BHARAT?
9. Sir kindly let me know the step is taken to reduce or stop the usage of single use plastic?
10. Sir what steps are being taken for use of Renewable Energy source and Rainwater harvesting and water conservation and to reduce use of fresh water?
11. Sir what steps are being taken to increase % of female employee and what is the number of new female employee added during the year ended 31st March 2021?
12. Sir kindly provides in details geographical diversification of our employees in detail Zone-wise, Gender-wise and Age-wise distribution Casual/Contractual employees as on 31st March 2021.

And I kindly request next time when you call a meeting first take all questions then you give reply Sir because I excuse me to say you I waiting from half an hour, but you give a twenty minutes time to one speaker Sir. When you asked at starting 3 minutes time Sir so I request next time you take all the questions and then give the reply it is better Sir.

Thank you. I request to

*Main, Mehta Ji bhagavaan sa praarthana kar tha un bhagavaan aapko lamba umra pradhan kare, aapko aapka parivaar ko aur jeethan be adhikaaree gun hai unka aur unka parivaar ko lamba umra pradhan kare aur bhagavaan sa praarthana kart ha hoon 2021 hai who aap sabke ka laa Wellness, Happiness, Prosperous rahe aur safety ka saath betha ya sahla. Mera ko samya dayna ka la bahut bahut dhanyavaad aap sab ko lamba umra ki kamna kar tha hoi apna bhaashan sahmata ka tha hoon. Aur letter bheje hai arghar isma aapko kuch samaj nahi aah toh letter dek lee jah javaab dena ka lai. Dhanyavaad Sir. [I, Mehta Ji, pray to God, God to give you long life, yourself, your family and all the staffs and their family to give long life and I pray to God in this 2021, will for all of you Wellness, Happiness, Prosperous and with Safety the year should pass on. For giving me time, many many thank you to all, to all of you I pray to provide long life, I complete my speech. And letter is sent, if in this you did not understand anything*

then see the letter for giving answers. Thank You Sir]

**Mr. Malcolm F. Mehta**

Thank You, Thank You Mr. Saraf, *bahut bahut dhanyavaad apne jo sawaal bheje hai vah humko mile hai.* [many many thanks for the questions what you have sent, that we have received] We will try to answer these questions to the extent possible and some of the these questions which you have asked may not directly you know concern us and we may not have anything to respond on the same, however we will try and respond on the questions you have sent across and Thank you for your suggestion on taking all the questions from all the shareholders first and then answering them, we will keep it in mind and next year in case we still have to move on online and carry out the AGM and keep that in mind and do it that way. Should we take his suggestion and ask the next speaker also.

**Moderator:**

All done.

**Mr. Malcolm F. Mehta**

Done.

Let me answer questions I think we have couple of question also on the environment and what we are doing from our end. So I think with regards to couple of things that I could relate and talk about one is since last year and an half almost two years we had stopped using pet bottles you know water bottles we have been using glass bottles that we have in the office to try and avoid using pet bottles even when we have guests, clients offer them with the glass bottles of course sometimes some guest specially from overseas they prefer to have sealed mineral water bottles to have their water so we have to be practical for their requirement. On the part about participation of women in the work force I completely agree with what Mr. Saraf says Yes women have to be given a larger role to play and not necessarily just in business but across. As of March 31<sup>st</sup> 2021 we had 83 female employees joined us during the year it's the additional employees.

**Mr. Murali Gopalakrishnan**

Ya

**Mr. Malcolm F. Mehta**

83 employees have joined us, the ratio has gone up but only marginally again I think we need to do more it has gone up from 12% to 15% we have to definitely look at businesses where we can have more participation from women. What we have seen is that there are certain businesses where for example our Product Engineering Development Business has ratio of 47% and the banking division has about 22% and Business Enablement is 24% so on the work which is required to be done out of office as well as application development and other things we find that we have a better ratio of women working in those businesses. When it comes to infra structure services where people need to go for on-site or work at customer place and all that obviously the ration is negligible so we are going to make more efforts to make sure that we have more participation from women going ahead. I think the question about whether our factory has rain water harvesting.

**Mr. Murali Gopalakrishnan**

That's a mandatory thing, Ya that's a mandatory thing otherwise our factory license is something which is renewed every year is not provided so we have actually fitted in rainwater harvesting system there which wherever the water is coming in that is going to the ground and accumulated there so that's a mandatory thing for license renewal so that is available in the factory.

**Mr. Malcolm F. Mehta**

Ok Thank you.

And I think there was questions which we have received from Mr. Saraf also include questions about what are the measure we have taken you know on reducing cost and things like that may be the CFO would like to stress upon that.

**Mr. Murali Gopalakrishnan**

Ya, So the last year and a half we have got in the pandemic situation, we have actually tried in consolidated many of our offices across the country in India the office spaces which were no longer required. I mean because of various reasons in terms of people Working From Home have already been surrendered so there has been a reduction on the rental side I would say happened over the last one year mostly in India. Also we have surrendered a large space in Dubai and moved to a smaller space in Dubai and so that has actually resulted in cost saving measures in rentals. Following the closure of such offices across the country we have also saved on various other expenses related to the Infra that we have been incurring which includes power & fuel, repairs & maintenance and other miscellaneous expenses. Considering that the COVID has actually taught us a new way of actually meeting up with the customers and also all our internal meetings, the travel & conveyance cost has been completely cut down and we have not incurred unless it's a very urgent meeting where people have to go otherwise most of the meetings are happening virtually and that also has actually considerable saved a lot expenses in the last one year and those were the measures that we have taken. And the other part is on the digitalisation of some of the documents that we been printing all long so we have moved to digitalisation of the forms and documents that we create internally and that actually brought down the printing & stationary cost that we incur so these are the various measures taken in the last year and a half.

Thank you.

**Mr. Malcolm F. Mehta**

I think there was also question on whether we have you know sort of develop any new products or have launched anything new I have mentioned it in my earlier speakers response that we have launched GBM Ultra which is the updated version of our product called GBM for banking sector if you recall I think year and a half two years back I have mentioned that we also have the SOC which is the Security Operations Centre to develop cognitive software so these are two major or bigger tools or products that we have developed there are other small ones that we keep doing and also helping us internally for our automation and stuff like that and ones we have going for us we plan to extent you know these services to our existing and new customers also. There were few other questions also which you know may be we can send across response to Mr. Saraf.



**Mr. Murali Gopalakrishnan**

Sure.

**Mr. Malcolm F. Mehta**

Over mail or other communication.

I hope that is fine with you Mr. Saraf.

**Ms. Bharati Saraf**

Thank you Sir for giving me reply and hope the next year meet in video conference because I am from Kolkata if video conference meeting held then I can be talk with you Sir. And I request you if you have a physical meeting then take 10 to 15 mins time for video conference meeting for PAN India shareholders Sir. Thank you for giving opportunity. Jai Hind Jai Bharat Namaskar

**Mr. Malcolm F. Mehta**

Thank you very much.

**Moderator:**

We have concluded our Q&A session and would request the Chairman to take over.

**Mr. Malcolm F. Mehta**

Ok.

I hope we have answered the questions that were asked by the shareholders and I would like to request the members to participate in the e-voting on the agenda items stated in the notice of the 26th AGM and also to request the members to cast their votes on each of the agenda items.

Those shareholders who have voted through remote e-voting cannot vote again through e-voting at the AGM and I would like to request the scrutinizer Mr. M. Alagar to conduct the voting in an orderly manner.

The results of Voting i.e. remote e-voting and e-voting conducted at the AGM along with Consolidated Scrutinizer's Report will be placed on Company's Notice Board and website of the company viz. [www.inspirisys.com](http://www.inspirisys.com) and also on the website of NSDL and communicated to BSE Ltd. and National Stock Exchange of India Ltd. within two working days from the closing of the AGM.

I wish to thank all the members for their presence and support and would like to announce that after casting of the votes by the members at the 26th AGM, I declare that the meeting as closed.

Thank you very much everybody.