



EXPLEO SOLUTIONS LIMITED

(Formerly known as SQS India BFSI Limited)

**Registered Office: 6A, Sixth Floor, Prince Infocity II, 283/3 & 283/4
Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600 096**

RECORDING TRANSCRIPT

22nd ANNUAL GENERAL MEETING

Date of Meeting : **Thursday, August 27, 2020**

Time : **3.30 P.M. (IST)**

Place : **Thro' Video Conferencing (VC) or
Other Audio-Visual Means (OAVM)**

S. Sampath Kumar: Dear Shareholders,

It gives me great pleasure to welcome you all for the Company's 22nd Annual General Meeting.

Now, the election of Chairman of the Meeting has to take place:

To commence the proceedings of the Annual General Meeting, as there is no full time Chairman on the Board, as per Article 77 of Articles of Association of the Company, the Directors present in this meeting shall elect one among themselves to be the Chairman of the meeting.

I will now request the Board Members present in the meeting to elect one among themselves to be the Chairman of the meeting.

Prof. S. Rajagopalan: This is Rajagopalan. I propose Prof. K. Kumar to be the Chairman of this meeting.

Rajiv Kuchhal: I would like to propose Prof. K. Kumar to be the Chairman of this meeting.

Ralph Franz Gillessen: I propose Prof. K. Kumar to be the Chairman of this meeting.

Lilian Jessie Paul: I would like to propose Prof. K. Kumar to be the Chairperson for this meeting.

Martin Hodgson: I propose Prof. K. Kumar to be the Chairman of this meeting.

Ulrich Baumer: Good afternoon everybody. I am Ulrich Baumer, Independent Director. I would like to propose Prof. K. Kumar to be the Chairman of this meeting.

Balaji Viswanathan: Good afternoon everybody. I am Balaji Viswanathan. I would like to propose Prof. K. Kumar to be the Chairman of this meeting.

S. Sampath Kumar: Since all the Board Members have proposed Prof. K. Kumar as the Chairman of the Meeting, I now request Prof. K. Kumar to be the Chairman of this meeting and to occupy the Chair.

Prof. K. Kumar: Thank you Mr. Sampath Kumar and my colleagues. I am happy to Chair this meeting today. May I now request Mr. Sampath Kumar, Company Secretary to confirm whether the requisite quorum is available.

S. Sampath Kumar: We have sufficient quorum for the meeting.

Prof. K. Kumar: Thank you very much. I will straight away go ahead with the meeting. I welcome the Shareholders of the Company to the 22nd Annual General Meeting through VC / OAVM.

In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No.20/2020 dated May 5, 2020 read with General Circular No.14/2020 dated April 8, 2020 and also the General Circular No.17/2020 dated April

13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013. Our Company Secretary has confirmed that requisite quorum is present. I declare that the meeting is in order.

I request my colleagues on the Board, CFO and the Company Secretary, who are present in this video conference to introduce themselves.

Prof. S. Rajagopalan: I am Rajagopalan joining this meeting from Bengaluru. I am an Independent Director of this Company for the last 12 years.

Prof. K. Kumar: Thank you.

Rajiv Kuchhal: Hi, this is Rajiv Kuchhal. I am an Independent Director on the Board of this Company and I am on the Board for the last 8 years.

Prof. K. Kumar: Thank you.

Ralph Franz Gillessen: Hi Everyone, My name is Ralph Franz Gillessen. I am a Non-Executive Director and EDP of Expleo Group and on the Board of the Company for the last 3 years.

Prof. K. Kumar: Thank you.

Lilian Jessie Paul: Hi, My name is Lilian Jessie Paul. I am an Independent Director on the Board of Directors of this Company and is my pleasure to be on the Board of this Company since 2014.

Prof. K. Kumar: Thank you.

Martin Hodgson: Hello, I am Martin Hodgson here. I am joining from London. This is my first year of Directorship. I am a Member of Expleo Group.

Prof. K. Kumar: Thank you.

Ulrich Baumer: Hello Everybody, I am Ulrich Baumer, dialling in from Cologne, Germany. I am an Independent Director on the Board of this Company since 7 years now.

Prof. K. Kumar: Thank you.

Balaji Viswanathan: Hi Good afternoon everybody. This is Balaji Viswanathan. I am the Managing Director of this Company for the last 2 years. It is my pleasure to welcome you all.

Prof. K. Kumar: Thank you.

Desikan Narayanan: Hi Everyone, Good afternoon. This is Desikan Narayanan. I am the Chief Financial Officer of the Company. I am with the Company for the last 4 years and as Chief Financial Officer for the last 2 years.

Prof. K. Kumar: Thank you.

S. Sampath Kumar: I am Sampath Kumar. I am the Company Secretary & Compliance Officer of the Company. I with the Company since 2016.

Prof. K. Kumar: Thank you. Dear Members, We have the presence of Mr. Rajesh Krishnamurthy, Group CEO of Expleo Group who is joining us here as an Invitee. I have great pleasure in welcoming Mr. Rajesh Krishnamurthy.

Rajesh Krishnamurthy: Thank you Prof. K. Kumar. Good afternoon everybody. It is a pleasure for me to be here. A quick introduction. I joined last month as Group CEO of Expleo Group. Prior to that, I started my career at Infosys many years ago, with the pleasure of working with Rajiv and I also briefly interacted with Jessy and spent 27 years of my career at Infosys playing different roles and I left about 3 years back when I was President of the Company. Since then, I joined a company called CMA CGM which is a large maritime transport and logistics business, where I was the Chief Transformation and Chief Technology Officer. I was there for two and half years. I have now taken over as Group CEO of Expleo and it is my pleasure to be here. Thank you very much.

Prof. K. Kumar: Thank you very much and thanks for joining us today. I acknowledge the attendance of the Statutory Auditors, Kalyaniwalla & Mistry LLP (K&M), Chartered Accountants and Secretarial Auditors, M. Alagar & Associates, Company Secretaries in Practice, who have joined this meeting.

The Company has taken all feasible efforts under the current circumstances to enable members to participate through video conference and cast their votes electronically. Members who have not cast their votes yet and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system. I thank all the members, colleagues on the Board, auditors and the management team for joining this meeting over video conference. I hope all of you are safe and are in good health.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangement has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to investor.expleosol@expleogroup.com. As the AGM is being held through video conference, the facility for appointment of proxies by the members is not applicable and hence, the proxy register for inspection is not available.

As required under Section 108 of the Companies Act, 2013 and the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided opportunity for the Members to cast their vote electronically on all the resolutions set forth in the Notice of AGM. In order to enable those shareholders who are present in this meeting and who have not exercised remote E-Voting, the Company is providing an opportunity to cast their vote electronically after the Meeting. There will be no voting by show of hands.

The notice has been circulated to all the Members along with the Annual Report of the Company for the Financial Year 2019-20 electronically. Hence, with the consent of the members present, we can take the Notice of the AGM as read.

The Auditor's Report for the year ended March 31, 2020 does not contain any qualification, observation or comments on financial transaction or matters, which have any adverse effect on the functioning of the Company. Therefore, as per Section 145 of the Companies Act, 2013, the Auditor's Report need not be read.

The Secretarial Audit Report issued by the Company Secretary in Practice, also does not contain any qualification, observation or comments and therefore it need not be read.

Both Auditor's Report on standalone and consolidated financial statements and Secretarial Audit Report forms part of the Annual Report circulated to members.

I now request Mr. S. Sampath Kumar, Company Secretary to read the items considered in the Notice to the Annual General Meeting of the Company.

Sampath Kumar:

Good afternoon to all of you!

Members may note that this Annual General Meeting is being held through video conference in accordance with the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The facility to join this meeting through video conference or other audio-visual means is made available to the members on a first-come-first-served basis.

The Annual Report of the Company for the financial year 2019-20 along with the Notice has been sent by electronic mail to the Shareholders of the Company on time as required under Section 101 and 102 of Companies Act, 2013 read with Rule 18 of Companies (Management and Administration) Rules, 2014 and the amendments thereto and in line with the MCA circular dated May 5, 2020 and SEBI circular dated May 12, 2020, to consider and approve the items in Ordinary Business and Special Business as listed out in the Notice of AGM sent to the Shareholders of the Company.

In terms of the Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and Rule 20

of Companies (Management & Administration) Rules, 2014 and amendments thereto, it is mandatory to extend to the shareholders of the Company, the facility to vote on the items on all the resolutions set forth in the Notice of AGM by electronic means. The Company has, as mentioned in the Notice of AGM, provided opportunity to the Members to do remote E-Voting which was open from 9.00 a.m. IST on August 24, 2020 to 5.00 p.m. IST on August 26, 2020.

As required under Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of Central Depository Services (India) Limited to provide E-voting facility to the Members of the Company.

Mr. V. Suresh, Practicing Company Secretary is appointed as scrutinizer to scrutinize the Remote E-Voting Process and the E-Voting facility at the AGM in a fair and transparent manner.

As mentioned by the Chairman, we would like to highlight you that the e-voting facility to vote at the AGM is provided to all those shareholders, who are attending the AGM through Video Conference and who have not participated in the Remote E-Voting, in proportion to their shareholding for all subjects as contained in item nos.1 to 3 of the Notice of the AGM. The members present can cast their Vote at the end of the meeting.

I draw the attention of the Members that the Company has received questions up to 25th August, 2020 @ 3.30 p.m. IST from the Members with regard to the financial statements or any other matter placed at the 22nd AGM. Also, the Company has received request from few members by registering themselves as a speaker to ask questions during the 22nd AGM, depending upon the availability of time. The Company will provide 3 minutes for each speaker who has registered with the Company to ask questions pertaining to the Annual Report 2019-20 during the 22nd AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Members are requested to refer to the Instructions provided in the notice for seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers.

The Results of the Voting including remote E-Voting along with scrutinizer's report would be placed on the website of the Company and also on the website of Central Depository Services (India) Limited by August 29, 2020 and shall also be submitted to the Stock Exchanges.

Thank you, Chairman.

I request Chairman to deliver his speech:

Prof. K. Kumar:

Dear Shareholders,

The financial year gone by witnessed the expansion of our new, invigorated brand, Expleo Solutions, part of the Expleo Group of companies, focusing exclusively on business assurance, quality assurance and software testing for the Banking, Insurance and Financial services industries. In this communication, I would like to share with you our performance for the financial year 2019-20, update on business operations, new opportunities, and our response to combat Covid-19.

During the financial year 2019-20, we have reported total income of INR 2,780 Mn (INR 278 crores) compared to INR 2,888 Mn (INR 288 crores) in financial year 2018-19, reflecting a drop of 3.7% on year on year basis. We achieved a Net Profit Margin of 14.2%, an increase of 13.7% over the previous year. Our net cash position stood at INR 872 Mn for the financial year 2019-20 compared to INR 987 Mn in financial year 2018-19. During the year, 21% of our business came from the Expleo Group as against 19% in the previous year.

We were able to achieve this performance in the financial year 2019-20 despite the main markets of United Kingdom (UK) and Europe witnessing some headwinds in terms of growth. On the positive side, the markets in Middle East and Asia, where we are offering our services directly, continued to grow. Some of the key European clients also showed increased business activities. However, the United States (US) continued to remain a weak market for us, despite its huge potential. Your company opened a branch office in Philippines and received necessary approvals from various Statutory Authorities in Philippines to commence commercial operation from this branch office.

Expleo was recognized as a 'Leader' in the overall market segment for next generation software testing services in the Nelson Hall's April, 2019 report.

Additionally, we were also positioned as a 'Leader' in mobile testing, AI-based automation and other cognitive & testing capabilities. This is a testament to the excellent work of our teams and an encouragement to continue to deliver effective solutions for our clients. As the technologies keep evolving, we are keen to remain at the forefront of the next generation of quality services, especially in mobile, AI-based and Robotics Process Automation (RPA). We will continue to invest in Quality Engineering and Quality Assurance (QA) around embedded software, Internet of Things (IoT) and Product Life Cycle Management (PLM) in coming years.

The Banks and Financial institutions have started recognising the need to evolve from traditional models to a fully agile approach to accelerate the pace of digital transformation. They are facing significant disruption, led by changing consumer demand and proliferating new technologies. They are also challenged by intense new competition from nimble FinTech start-ups and digital native challenger banks. Agility and speed to scale have become more

business critical than ever before. Businesses are getting a taste of the benefits that process automation can provide them to meet these critical demands.

Our clients are increasingly adapting to new age digital technology to operate successfully in today's disrupted world. Most banks have embarked on digital transformation initiatives in their quest for innovation, shorter new product development cycles and reduced costs. We work closely with global banks and institutions, helping them to navigate these challenges. We are well positioned to hand hold our clients in their journey of transition, by helping them to create, test, and scale digital solutions and operationalise them at a rapid pace.

During the year, we saw strong demand for digital and new age services such as Robotic Process Automation (RPA), Application Programming Interface (API) Banking, Artificial Intelligence (AI) and DevOps. We continue to increase our service footprint and offerings in these areas. Rapid digital transformation and rising test automation for lower operational costs along with enhanced quality assurance are key drivers for client organizations to adopt digital assurance. We will continue to explore strategic partnership with technology and platform providers who would help us reach a larger set of such customers in coming years. Most importantly, we will continue to invest in upskilling and right skilling of our employees and getting them trained and certified to adapt to the new age technologies. We have set a target for transforming at least 50% of employees into techno-functional employees by end of 2020. We believe such a transformation will position us better to face the dynamic changes in market conditions post Covid-19. The new age services offered by Industry 4.0 technologies have already proven to be a great boon during the tough times brought on to the business world by Covid-19 pandemic.

We are tending towards a new normal even as the Covid-19 pandemic is continuing to create disorder across the globe. We have two priorities right now, protecting our employees and securing our business during this crisis. The safety of our employees is our first concern, especially for those who are still working, or are going back to work, on our or clients' sites when remote working is not possible. We want to recognise their commitment to our clients and continuity of our company critical services. We are incredibly proud of the agility and commitment demonstrated by Expleo community to adapt to this new normal, in the face of great uncertainty.

As the pandemic develops, we continue to provide our services in all the 30 countries where we have operations, and we are delivering most of our client activities remotely. We have been able to switch over 95% of our employees to deliver our client services remotely while maintaining high standard of cyber-security. Due to high uncertainty, it is too early to say how Covid-19 will affect Expleo Solutions' business and financial performance in the financial year 2020-2021. As for the future, our topmost priority is to make sure that your company exits this period strong, better placed to accompany our clients through their recovery and back to growth. We are confident that we will overcome this situation together.

On behalf of Board, I would like to take this opportunity to wish our customers a speedy return to normalcy in their business operations and also to thank them for the trust reposed in us. I would also like to congratulate our staff for the exemplary commitment and hard work demonstrated by them. I would like to thank you, our valued shareholders, for extending your continued support and reposing your confidence in your company.

Stay safe, healthy, and take care of your families. Thank you.

Prof. K. Kumar:

We now move on to the first item of the AGM Notice,

Ordinary Business:

1. For consideration and adoption of
 - a) The Audited financial statements of the Company for the financial year ended March 31, 2020 with the reports of the Board of Directors' and Auditors' thereon.
 - b) The Audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and Auditor's Report thereon.

Objective and Implication of the Resolution:

As per Section 129 of the Companies Act, 2013, the financial statements of the Company for the financial year shall be laid before the Annual General Meeting. In addition to it, if the Company has one or more subsidiaries, the consolidated financial statements of the Company for the financial year shall also be laid before the Annual General Meeting for consideration and adoption.

The Annual Audited Accounts have already been circulated to the members for their consideration.

The resolution is to be passed as an Ordinary Resolution.

Next, item No.2 of the AGM Notice is for re-appointment of Mr. Ralph Franz Gillessen (DIN – 05184138) as Non-Executive Director.

Objective and Implication of the Resolution:

As per Section 152(6) of Companies Act, 2013, 1/3rd of the directors to retire by rotation every year. For the purpose of computing the number of directors to retire by rotation, the independent directors are excluded. In this Annual General Meeting, one director will have to retire by rotation and being eligible for reappointment can be re-appointed. The identification of person to retire by rotation is determined based on the seniority of date of appointment.

Accordingly, this year, Mr. Ralph Franz Gillessen retires by rotation and being eligible offered himself for re-appointment as the Director in this Annual General Meeting.

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the information in respect of Mr. Ralph Franz Gillesen seeking re-appointment as a Director forms integral part of the notice of Annual General Meeting.

The resolution is to be passed as an Ordinary Resolution.

Special Business:

2. Next, item No.3 of the AGM Notice is for the Appointment of Mr. Martin Hodgson (DIN - 08720176) as Non-Executive Director.

Objective and Implication of the Resolution:

Mr. Martin Hodgson (DIN – 08720176) was appointed as an Additional (Non-Executive) Director of the Company by the Board of Directors of the Company with effect from April 9, 2020 and who holds office up to the date of this Annual General Meeting.

In terms of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Martin Hodgson being eligible and offering himself for appointment, is proposed to be appointed as Non-Executive Director of the Company.

A detailed bio-data of Mr. Martin Hodgson has been given in the explanatory statement to the notice of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Martin Hodgson as a Non-Executive Director.

The resolution is to be passed as an Ordinary Resolution.

As stated earlier, some Members have registered their name with the Company to speak at the AGM. They can ask any question pertaining to any item on the Notice now. Members are requested to keep their questions brief and specific. The moderator will facilitate the shareholders registered for speaking to ask their questions. Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time. To avoid repetition, the answers to all the questions will be provided towards the end.

I request Mr. S. Sampath Kumar, Company Secretary to proceed with Q&A session.

Sampath Kumar:

We shall now proceed with the Q&A. Kindly unmute yourself and proceed to ask the question. Please mention your name, Folio / DP ID & Client ID Number and the location from where you are joining. Each shareholder will have 3 minutes for their questions. To avoid repetition, the Board will respond to all the questions at the end. Once

you have asked your question, you can mute and continue to watch the proceedings.

Question & Answers Session:

Sampath Kumar: We request Mr. Aspi Bhesania to unmute himself and kindly proceed with the question.

Aspi Bhesania: The top line year on year for March 2020 compared to March 2019 has not increased. Also, Quarter 4 top line compared to Quarter 4 top line of last year has also not increased. Where will the growth come from during the current year? Also, what are the reasons for Quarter 1 profit margin increase so much? Do you expect the margin to be maintained? Thank you and all the best.

Prof. K. Kumar: Thank you Mr. Bhesania.

Sampath Kumar: Thank you Mr. Bhesania.

Sampath Kumar: We request Mr. Ravi Kumar Naredi to unmute himself and kindly proceed with the question.

Karthik, Moderator, CDSL: Sir, he has not joined in.

Sampath Kumar: We request Mr. J. Abhishek to unmute himself and kindly proceed with the question.

J. Abhishek: Here more from the MD of how he can address the Investor community more often than through AGM platform. Going forward, if the virtual platform is going to be continued it will be good enabling for the Investors.

Karthik, Moderator, CDSL: Sir, Mr. Abhishek has joined another meeting actually.

Sampath Kumar: Mr. Karthik, is he online or shall I proceed with the next person.

Karthik, Moderator, CDSL: You can skip to next person.

Sampath Kumar: Thank you.

Sampath Kumar: We request Mr. Hemant Khandelwal to unmute himself and kindly proceed with the question.

Karthik, Moderator, CDSL: Sir, Mr. Hemant Khandelwal has not joined the meeting.

Sampath Kumar: Thank you.

Sampath Kumar: Chairman, With this, we can conclude the question session from all the shareholders. Now, I request you to take it over.

Prof. K. Kumar: Thank you Mr. Sampath Kumar. Thank you Shareholders for posing these questions. The questions are about the growth and how the margins will behave. I will make a general observation as I mentioned in my address also that the Company has been trying every bid to ensure despite these challenging time we have been able to keep up

the performance. I will now request Mr. Balaji Viswanathan to make his remarks on specific question about the growth.

Balaji Viswanathan:

I will probably try and address all the questions. One of the questions which I probably missed some part of what Mr. Abhishek was mentioning. He talked about the forum where we addressed the Investors. I want to clarify Mr. Abhishek that we do have after every quarterly Board Meeting, we do have an Investor Call to address Investors as part of it. Both myself and Desikan are part of the particular Investor address. We spent 90 minutes every quarter for that and also address specific investor call requests organized by Investor Relations Manager.

On the specific question of Mr. Bhesania talking about the drop in overall revenue from Rs.288 crores to Rs.278 crores, one of the point Chairman mentioned when we started off was that we had some headwinds in UK & Europe region in 1st quarter of 2019 going through first half of 2019, which recovered around December, 2019 and that was one of the reason for the fall in 2019 overall revenues from 2018. We think that we have actually overcome some of those headwinds and we are in the path of growth once again which we have seen even in the 1st quarter of results of this year. On the specific question of 1st quarter results, whether the margin is sustainable? It has certainly had some advantages primarily from one part of it is FX almost 40% of the increase in margin can be attributed to FX swing. Apart from that during pandemic situation, we took lot of cost management efforts and that is one of the reasons why the margin has seen an increase. Third element is that apart from first 6 weeks of impact from March 18, 2020 to end of April, 2020 after that we have seen increase in business activity, customers are also coming back and we don't see challenges in terms of business activity at least in the recent past. We think that we will probably return back to normal in 1st quarter of next calendar year or latest by 1st quarter of financial year – 2021-22.

Prof. K. Kumar:

Thank you Mr. Balaji Viswanathan for so comprehensively answering all the questions raised by the Shareholders.

Sampath Kumar:

We have received some questions from Mr. Abhishek today by email. With regard to 3 Secretarial questions, I will answer them. With regard to Accounts questions, I will request Mr. Desikan Narayanan to answer them. I will read out the questions followed by the answers:

(1) What are the credentials that the New & EXISTING directors are bringing on the table to take the company to next phase of growth or to guide the new generation? Is the appointment being done after checking all the new amendments under clause 49?

The credentials of existing and new Directors are included in their Profile in Annual Report and their skills / expertise / competencies are provided in Corporate Governance Report.

The appointment of Directors has been done in line with the provisions of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 which has replaced clause 49 of the Listing agreement.

(2) What is the policy related to dividend in our company as most of the senior citizens only depend on that?

The Company does not have a Dividend Policy, as it is not applicable to us as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company always ensures optimum utilisation of funds with an intention of maximising the stakeholders wealth.

(3) Please provide Current top 300 shareholders list.

I will reply to him separately by email.

Now, I will request Mr. Desikan Narayanan to reply to Accounts related questions.

Desikan Narayanan:

There are couple of questions which came from accounts side.

(1) What are the management efforts to improve Working Capital to Sales ratio, ROCE, Net debt to EBITDA multiple, OPM, Debtor days and Interest coverage ratio?

- Working Capital to Sales ratio for CY 2.30 times as compared to last year of 2.68 times. If you look at industry average is it around 1.1 to 2 times
- ROCE CY34.37%, compared to last year at 38.26%. While industry average is around 10%. So, we are better placed when compared to IT industry.
- OPM (EBIT) - CY 19%, PY 18.7%
- Debtor days were flat ~ 60 to 65 till Q3 of FY 19-20 COVID impact from early Q4 lead for the increase in days to 85 in March 2020, the same is streamlined and we collected ₹ 400 Mn in July 2020. It is only a delay in payment and not denial and we are currently at a better position on debtors collection and liquidity.
- There is no debt for the Company
- Mr. Balaji covered about the Investor Call with interaction with Investors.

(2) He asked about Other Current and Non-Current Liabilities.

Other Current Liabilities – Standalone – It consists of Tax deducted at source, Provident Fund Payable and Statutory dues (VAT/ GST) payable which are there in the books.

Non-Current Liabilities - Standalone:

It majorly consists of only Earned Leave. When we receive earn leave accrual amount from our actuary there will be two components – less than and more than 12 months which will be segregated based on the period. Less than 12 months will be shown under current liabilities and more than 12 months will be shown under long term liabilities.

(3) What are the management efforts to reduce Other expenses, Legal Professional charges & Audit fees?

Our focus is always on optimisation of expenses, that is one of the reason we make better margins.

(4) With regard to specific question on Legal professional charges, compared to last year and this year there is a drop.

(5) With regard to Audit fees, the increase is mainly due to revision in fees which happened during the year.

Also, with respect to SEBI – LODR requirement the Statutory Auditor has to compulsorily conduct a Limited review of the subsidiary books. This has increased the scope of work for the Auditors which has contributed to the increase in Audit fees.

(6) As regards the question on managing Covid, the Chairman has replied in his speech about how the Company has managed it.

Mr. Sampath has answered the other 3 secretarial questions.

These are the questions asked by Mr. Abhishek.

Prof. K. Kumar:

Thank you.

Prof. K. Kumar:

Sampath, are there any other questions?

Sampath Kumar:

No Sir.

Prof. K. Kumar:

Thank you all Members, my colleagues on the Board, the Company officers for having clarified all the questions raised by the Shareholders.

As informed earlier, the Company has arranged for e-voting facility at the AGM for those, who have not exercised their vote through remote e-voting.

I now request the members who have not cast their votes through remote e-voting to cast their vote now. The electronic voting facility will be open and available for the next 15 minutes enabling the members eligible to exercise their e-voting and thereafter the meeting will be deemed as concluded.

The Results of the e-Voting including remote E-Voting along with scrutinizer's report would be placed on the website of the Company and also on the website of Central Depository Services (India) Limited by August 29, 2020 and it shall also be submitted to the Stock Exchanges. The members can view the same. This concludes the business of the 22nd AGM of the Company. I thank you all for your participation and smooth conduct of the meeting.

Thank you very much.