



## **EXPLEO SOLUTIONS LIMITED**

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

### **RECORDING TRANSCRIPT**

#### **24<sup>th</sup> ANNUAL GENERAL MEETING**

**Date of Meeting** : **Thursday, August 11, 2022**

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

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

S. Sampath Kumar: Good afternoon. For smooth conduct of the 24<sup>th</sup> Annual General Meeting (AGM), all the lines of the shareholders will be on listen only mode. The audio and video of the speaker shareholders will be enabled once they are invited to speak at the time of Q&A session by the Chairman / Company Secretary and Compliance Officer. The proceedings of the AGM are being recorded and the transcript will be uploaded on the website of the Company after the AGM. Now, I hand over the proceedings to the Chairman. Over to you sir.

Ralph Franz Gillessen: I welcome the Shareholders of the Company to the 24<sup>th</sup> Annual General Meeting through Video Conference / Other Audio-Visual Means.

In view of the continuing COVID-19 pandemic, the AGM of the Company is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI.

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.

He introduced his colleagues on the Board, CFO and the Company Secretary, who are present in this video conference.

Ralph Franz Gillessen: Mr. Rajesh Krishnamurthy, Director and Mr. Ulrich Baumer, Independent Director, could not attend the meeting due to personal reasons.

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. Welcome to the Statutory Auditors and Practising Company Secretary.

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](mailto: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 during the Meeting. The electronic voting facility will remain open and available upto 15 minutes after conclusion of this meeting to enable the eligible members to exercise their votes. 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 2021-22 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, 2022 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 to 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 to 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 brief the shareholders on the regulatory aspects for the meeting. Thank you.

Sampath Kumar:

Thank you Chairman. 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 ("MCA") vide its General Circular No.2/2022 dated May 5, 2022, read with General Circular No.20/2020 dated May 5, 2020 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "SEBI 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. 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 2021-22 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 circulars and SEBI circulars, 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, engaged the services of Central Depository Services (India) Limited to provide opportunity to the Members to do remote E-Voting which was open from 9.00 a.m. IST on August 8, 2022 to 5.00 p.m. IST on August 10, 2022.

The Company has enabled the e-voting facility during the AGM for members who have not voted through remote e-voting and who are present at the AGM and are otherwise not barred from doing so. Kindly follow the instructions mentioned in the Notice of AGM. The e-voting facility will close after 15 minutes from conclusion of the AGM.

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.

I draw the attention of the Members that the Company has not received any question up to August 9, 2022 @ 6.30 p.m. IST from the Members with regard to the financial statements or any other matter placed at the 24<sup>th</sup> AGM. Also, the Company has received request from few members by registering themselves as a speaker to ask questions during the 24<sup>th</sup> 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 2021-22 during the 24<sup>th</sup> 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 13, 2022 and shall also be submitted to the Stock Exchanges.

Thank you, Chairman.

Ralph Franz Gillessen: Thank you, Sampath.

Ralph Franz Gillessen: Dear Shareholders,

The financial year 2021-22 was different from its predecessor as the world was getting ready for the “new normal”. The business optimism was palpable, organizations accelerated tech investments to thrive, and the companies bounced back with renewed agendas to compete in the new normal. It was a similar trajectory for us at Expleo Solutions Ltd. Our strengthened team spirit is reflected in confidence shown by our team members in the surveys. We gained the trust of over 25 new customers across the globe with our accurate delivery and investments in technology and scale. And our new market and acquisition strategy is expected to accelerate our growth this year. And I would like to thank and sincerely appreciate our shareholders’ interest in Expleo Solutions Ltd.

The IT industry is set ablaze with growth opportunities, and we have been riding the wave with our focus on capabilities with a 30%+ Y-o-Y growth. According to a recent Gartner survey, it is evident that companies that invest in technology capabilities, talent, learning and leadership development are placed better for business growth and outcomes. Organizations are increasingly aware of the risk of digital disruption and unconventional competition; hence the increased investments in technology and disruptive business models should help us as a transformation partner. This rise in awareness, coupled with the advancements in core technologies, gives Expleo Solutions Ltd. immense confidence in our purpose and fuels our growth in the new normal.

Today’s workplace bears little resemblance to what we imagined a few years ago. The hybrid workforce saw a 30% increase in corporate spending on tech hardware and digital services. The C-suite roles have changed – every leader is now accountable for crisis management, technology evaluation, customer and employee engagement and attrition. Our customers’ ways of operations have changed. According to Gartner, companies’ transformation agendas include investing in 5g, IoT, AI, ML, Zero Trust security, software 2.0, data fabric and low code. Expleo Solutions Ltd, in the past year, has been aligning to these trends by building existing and additional capabilities by strengthening our teams in software engineering to cybersecurity, data science, compliance, product performance and reliability.

Expleo Solutions Limited’s growth strategy is carefully crafted around four pillars to help us better align with our clients’ priorities and drive sustained business growth.

1. A reorganization defined by sectors and significant areas of expertise encourages sharing skills and international

collaboration between teams. Those actions to better serve our customers helped us partner with many clients across 14 industries. We have expanded our presence in markets like India, Southeast Asia, North America and Europe to drive business from where our customers are. And while 'the great resignation' is impacting the supply and the costs in the industry, we increased our employee satisfaction by 4% in the Great Place to Work survey and have onboarded over 2000+ employees in the last twelve months.

2. Investment in Digital Technologies to train our teams in digital professions by 2023 to build techno-functional disruptors. We are excited about launching our sixth delivery and training centre in Coimbatore, Tamil Nadu. The new centre will contribute to our growth and help support clients' transformation programmes across industries. It can host up to 400 employees who will be trained and upskilled to deliver innovation and improve performance in futuristic technologies such as Artificial Intelligence, Machine Learning IoT, Low Code and Automation.
3. Expand areas of expertise to develop our position in the key industries of the future. The increasing demand for data availability, regardless of where it lives, is compelling organisations to invest in Data management, analytics and AI. To augment our capabilities in this space, we took over the business of Lucid Technologies and Solutions, a leader in data governance, data protection and analytics. The business takeover includes all Lucid's tools, IP, business contracts across India and the USA. Lucid's clients include Fortune 500 and unicorns across BFSI, healthcare, software hi-tech, retail and manufacturing. This transaction will close in Q1 of FY 2022-23.
4. And drive global innovation and R&D programmes to anticipate better the trends that will shape the future for clients. We were also able to realise our purpose during the times of crisis towards the upliftment of communities in Chennai and Mumbai. We have partnered with various Government and Non-Government Organisations to enable quality infrastructure for the students in rural and remote areas. And our commitment to the frontline workers in Chennai and Mumbai. I congratulate the entire team for making a considerable difference in people's lives and going over and beyond for what Expleo truly stands for.

This year has been a great testimony of our efforts and investments. We added over 25 new customers over the year, and more trusting us by extending our engagement for business growth. And with a sharp laser focus on our diversity and inclusion development, this year, we launched a new inclusion program in collaboration with the specialist organisation, Oorjja, to strengthen our workforce by onboarding eight differently-abled technology aspirants who will work in the UI/UX and data projects.

I congratulate Balaji Viswanathan and Prashant Bramhankar for their recognition as Asia's most promising Business Leaders awarded by the Economic Times.

On behalf of the Board, I would like to take this opportunity to thank our customers and employees for the trust they have reposed in us. Thank you, our valued shareholders, for extending your continued support.

Ralph Franz Gillessen:

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

Ordinary Business:

For consideration and adoption of:

- a) The Audited financial statements of the Company for the financial year ended March 31, 2022 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, 2022 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 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 Gillessen 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.

Next, item No.3 of the AGM Notice is to re-appoint Statutory Auditors and fix their remuneration.

Objective and Implication of the Resolution:

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166), will complete their term as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 at this Annual General Meeting.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit and independence, the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 24<sup>th</sup> AGM till the conclusion of 29<sup>th</sup> AGM of the Company, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, (ICAI Firm Registration No.104607W/W100166), is proposed to be re-appointed as Statutory Auditors of the Company, as they have given their consent, vide their letter dated June 17, 2022, and on appointment in the ensuing Annual General Meeting will hold office from the conclusion of this Annual General Meeting until the conclusion of the 29<sup>th</sup> AGM of the Company.

The resolution is to be passed as an Ordinary Resolution.

Special Business:

Next, item No.4 of the AGM Notice is for the Appointment of Mr. Prashant Eknath Bramhankar (DIN - 07439819) as Non-Executive Director.

Objective and Implication of the Resolution:

Mr. Prashant Eknath Bramhankar (DIN - 07439819) was appointed as an Additional (Non-Executive) Director of the Company by the Board of Directors of the Company with effect from September 1, 2021 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. Prashant Eknath Bramhankar 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. Prashant Eknath Bramhankar 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. Prashant Eknath Bramhankar as a Non-Executive Director.

The resolution is to be passed as an Ordinary Resolution.

As the next item No. 5 of the AGM Notice is for approval of Related Party Transactions and I am being interested in this item, I request Prof. K. Kumar, Deputy Chairman to occupy the Chair and explain the objective and implication of the resolution.

Prof. K. Kumar:

Thank you Chairman. Dear Members

The Next, item No.5 of the AGM Notice is for the approval of Related Party Transactions.

Objective and Implication of the Resolution:

- a) Pursuant to Section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a related party with respect to transactions specified therein except with the consent of the Board of Directors given by a resolution at a meeting.
- b) Similarly, irrespective of quantum of paid up share capital, as per Section 188(1) of Companies Act, 2013 and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no Company or all with its Subsidiaries shall enter into any contract or arrangement with a related party for sale, purchase or supply of goods or materials, availing and rendering of any services, transfer of resources, services or obligations, leasing of property of any kind and appointment of agent for purchase or sale of goods, materials, services or property exceeds Rs. 1,000 crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company (whichever is lower) except with the consent of the Board of Directors given by a resolution at a meeting and prior approval of shareholders for the Financial Year 2022-23 and for every Financial Year thereafter, by way of an Ordinary Resolution.
- c) Services are expected to be provided by Expleo Solutions Limited or its Subsidiaries or together to Expleo Group Entities, its Holding Company, Fellow Subsidiaries and entities under common control and Vice Versa.
- d) The value of transaction to be provided by Expleo Solutions Limited or its Subsidiaries or together to Expleo Group Entities,

its Holding Company, Fellow Subsidiaries and entities under common control and Vice Versa are:

- (i) For Rendering of Services - Upto INR 1,900 Mn per annum;
- (ii) For Availing of Services – Upto INR 2,100 Mn per annum; and
- (iii) For providing Loan to Expleo Group companies by Expleo Solutions Limited or Expleo Solutions Limited, together with any of its Subsidiaries or Subsidiaries of Expleo Solutions Limited – Upto INR 2,800 Mn per annum

The terms and conditions as applicable to the related party transactions to be entered into are covered in the Annexure to the Notice of AGM.

The resolution is to be passed as an Ordinary Resolution.

I now request Mr. Ralph Franz Gillessen to occupy the Chair and continue with the proceedings of the meeting. Thank you Mr. Ralph.

Ralph Franz Gillessen: Thank you, Prof. K. Kumar.

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.

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

Sampath Kumar: Thank you Chairman. 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 Session:

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

Aspi Bhesania: I am Aspi Bhesania from Bombay. Chairman at the outset, I would like to say that I liked your English accent and also liked your saying “Think Bold, Act Reliable”.

I also welcome Mr. Prashant Bramhankar. He was heading the companies which are being merged into our Company. Chairman, Sir, can you confirm that? After the Companies being merged, it

would be accreditive for our Company. And there will not be any unlisted companies of the parent in India after that. Just like Hindustan Unilever, whenever any company is being acquired by Hindustan Unilever, the listed one, it gets merged with Hindustan sooner or later. I would like you to follow the Hindustan model.

Sir, this is the 24<sup>th</sup> AGM, so what are the plans for the Silver Jubilee which is starting now, 25 years to be celebrated? So, after 24 years, our revenues are Rs.400 Crores, When do we cross Rs.1000 Crores? I am sure you can cross this Rs.1000 Crores turnover in the next 4 years considering the merger of group companies and also purchase of assets from Lucid.

I appreciate that no dividend has been given for the last 4 years. Buyback is tax efficient way of rewarding shareholder. Last buyback was in April 2019, so, now its overdue. So, in Quarter 1, EBT margin is 17.30 as against Quarter 4 of last year of 21.37. So, which margin is sustainable – 17 or 21?

Our employees strength as on 31<sup>st</sup> March, 2022 was from 882 to 1107. The employees strength increase by 60%, whereas, our income has increased only by 34%.

So, thank you very much and all the best for the future and before I end, I would like to disclose my interest that I am in no way concerned or related to the Auditors, although his surname is also the same as mine. Although, I have never met him also, but I would not mind meeting him if it is possible because he is also from Mumbai.

Thank you very much and all the best.

Sampath Kumar:

Thank you Mr. Aspi Bhesania.

Sampath Kumar:

We request Mr. Aman Vij to unmute himself and kindly proceed with the question.

Aman Vij:

Okay. Good Afternoon Sir. Since I've already emailed my questions.

Sampath Kumar:

Can you please enable your video sir?

Aman Vij:

I don't know where the option is. I have enabled it. There are some issues may be.

Sampath Kumar:

Sir, Can you please mention your DP ID and Client ID Details.

Aman Vij:

Yes sure. It is 12081600 57216670.

Sampath Kumar:

Okay, you can go ahead sir.

Aman Vij:

Yeah, so as I was mentioning, I have already emailed my question well, in advance. So, I hope I can get the answers to those questions point by point and just I want to add 2-3 questions to that list in the quarter when results are out.

1st, in the EGM, Sir, had talked about, we might release proforma numbers also along with. So, if you can talk about the proforma numbers for the Q1 of the unlimited entities. then same is the question for the employee count as of June, 2022 for both listed and unlisted entity.

Finally, on the Q1 numbers, what is the Lucid numbers added or will it be added from Q2, because the performance was much better than single digit quarter-on-quarter growth, which we were targeting we will achieve double digits. So, what are the reasons for the same. And, the NCLT final approval and the actual merger, is there a 1 to 2 month timeline, if you can talk about briefly, when can we expect it in Q3 or Q4?

That is it from my side. Thank you.

Sampath Kumar: Thank you Mr. Aman Vij.

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

Vasudeva Ramasamy: Yeah, Good Afternoon. Mr. Ralph, Mr. Kumar, Mr. Balaji and other Board Members and Mr. Sampath, my colleague. Congratulations to the management team, Sir for the excellent performance. I got few points for your consideration. I have sent it by email, again I will repeat.

What is our current attrition rate in the face of hyper attrition challenges which IT industry is facing? What are the steps we are taking to stem the attrition rate and at the same time attract fresh talent so that there is no lack of people because our backbone is our people?

My next point is what is your R&D budget for the year 2022-23? We have purchased certain specific assets from Lucid. So, what are additions to the fixed assets and what will be the contribution expected from the same on the revenue of the company in the current year like by previous shareholder spoke? Did we take into account the figure of lucid in this current quarter also?

Well, I will request Mr. Sampath Kumar to consider giving integrated annual report for the next financial year, after taking into account the format provided by the Council for the same.

All the best to the team, thanks for the opportunity. Thanks a lot.

Sampath Kumar: Thank you Mr. Vasudeva Ramasamy.

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

Rohit Balakrishnan: Good Afternoon everybody, the shareholders and the Board. I have also already sent my questions well in advance. So, if you want me to repeat them or not?

So, I think the first question, I think already asked that how much part of the Q1 Results were Lucid. Apart from this question, that is the only addition I think that's to me. Right and just one more thing, what is the timeline now for the merger to happen?

Sampath Kumar: Thank you Mr. Rohit Balakrishnan.

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

Naveen Bothra: Hello, I am Naveen Bothra pleasure attending the 24<sup>th</sup> AGM of the Company, Expleo Solutions Limited, from Delhi and very warm greetings to Mr. Ralph and very happy to see him in our Boardroom here in India. Also, very warm ratings to Deputy Chairman. Mr. Kumar and our MD & CEO Mr. Balaji Viswanathan, Mr. Prashant and the team board members and key management team of Expleo Solutions. Sampath Kumar also very warm greetings. From regulations of the team to the approval of the scheme of merger by the shareholders which is also a good sign for all of us, public shareholders also. And it brings all the businesses of Expleo Group, the listed entity and the conflict of interest goes away with this simplification of these message getting consolidated with the listed entity. Accolades to Mr. Balaji and Mr. Prashant for recognition as the most promising business leader by Economic Times.

I have got few points for the chairman or management. Well, first of all, my point would be regarding the medium term management plan, if you can broadly highlight our next 3 to 5 years as a consolidated entity after all the merger is getting completed, what we see in the next 3 to 5 years as the consolidated Expleo Solutions and where we will be in the coming 5 years' time, considering all the present situation for pipe in place and time being in spite of the drawing Europe business, major business is coming from the parent group. So, would like to have your considered view about the going side in the next day to five years.

Next, as regards to the head count growth we have achieved in this year i.e., in the financial year, would like to have your view regarding current year as well as the next year how we are going for the proposed addition of employees and estimated now, if you can give, it will be helpful.

Second one is regarding IP and Patents and then to monetize this. How many patents are in the name of our company? And in the pipeline, how many are there? And what are we planning to monetize all these IPs and patents? Please to have your views.

As regards to dividend distribution policy, after the merger is completed, we would like to have management views regarding the overall dividend distribution policy of the government, because in the proposed resolutions also, there is a point that we may extend corporate loans to Expleo group also. So, considering the things, all the conflict of interest has gone away with the merger of all these things, we would request the management to kindly utilize the cash flow in the growth of the business, or if they are not seeing, both

finally may have buyback or dividend distribution to the shareholders. Please keep in mind something.

And as regards my final point for number economic value added. What is our economic value added for the financial year 21-22? After taking into account all the opportunity cost of capital and results, and we said it is important matrix.

And I have already voted in favor of all the resolutions. And I also propose a vote of thanks to the Board. Thank you very much to Mr. Sampath for smooth onboarding in this virtual AGM and we have talked and Mr. Balaji have also commented that in some form or the other we will give the proforma results of unlisted entities which are getting merged along with the investor presentation of Q1 and Q2, I think, after Q2, we will be having the consolidated entity. So, till then, we once again request to kindly provide us the proforma results of the listed entity and also the unlisted entities for Q1 and also in the ongoing quarter also. Thank you. Sir. Thank you. Very much.

Sampath Kumar: Thank you Mr. Naveen Bothra.

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

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

Sampath Kumar: Thank you Mr. Karthik.

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

Abhishek Kalra: Can you hear me sir, am I audible?

Sampath Kumar: Yes, can you please enable your video?

Abhishek Kalra: Yes, I am doing excellent, Sir. My name is Abhishek. My DP ID is IN301637 and Client ID is 41359155.

First of all, I congratulate the management on the eve of 24<sup>th</sup> of Annual General Body Meeting. Trust you and your family in this pandemic situation, a company deserves much more respect than the current market gap after completing more than a decade of successful operations profitability. It was in history and becoming one of the strongest brand to notice.

Second, I would like to know, how this has been impacted in these past 3 years of covid time, corona virus and the subsequent lockdowns, virtually no industry can understand. After the pandemic, so whether any employees have been sacked, salary cut of 30%. I would like to know with your permission and whether any salary cut has been taken by the management during the pandemic time. And I will request to management to take part in consolidated quarterly presentations and meeting with global investors on a regular basis.

So, we are marching towards that 25<sup>th</sup> year. That is our Silver Jubilee Year so, the shareholders have a lot of expectations from the management. Hope that the management will fulfill the wish and desire of the minority shareholders in the years to come, like, bonuses is there or a special dividend is there. It should be considered by the management and it should be rewarded by the management to the minority shareholders. What are the steps taken by the management to reduce other expenses? Legal professional charges and the audit fees.

So then, myself and my team are running a Legal Firm in the name and style of "7 Wells Associates" in Chennai. I would request you to enroll our firm in the empanelment of the company and we will be glad to extend our services and thank our company secretary for having contacted us as well in advance and provided the link for the meeting and it made it convenient to attend the meeting, so we are really thankful for the company secretary for his sincere efforts and taking all the speaker shareholders in this virtual platform, and making this 24<sup>th</sup> Annual General Body Meeting a grand success, hope to see you in the 25<sup>th</sup> Annual General Body Meeting physically sir.

I wish the company and the board of directors a great success and prosperity in the coming future and thank you for giving up the day. Kindly give us an appointment to meet you and greet you sir so that we can honor you with a shawl and a memento. So, I think these are my thoughts, thank you.

Sampath Kumar: Thank you Mr. Abhishek Kalra.

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: Thank you Mr. Karthik.

Sampath Kumar: We request Mr. Anuj Nandkishore Sharma to unmute himself and kindly proceed with the question.

Anuj Nandkishore Sharma: Yeah, am I audible?

Sampath Kumar: Yes, you are audible sir. can you please enable your video please?

Anuj Nandkishore Sharma: Yeah sure, I have sent in my list of questions in advance and I will briefly repeat them.

One is the Expleo Group France has been acquiring companies like consulting, Assystem's care and tie-ups with Sprint and the other entities, so, how would these acquisitions benefit the Indian entity? Could you just take and explain the opportunity size from that?

Second is, Are there more opportunities from the Assystem's portfolio?

Third is, the PE fund which controls us has a numerous set of opportunities. Are we exploring, either we or a parent group are exploring opportunities there?

Inorganic opportunities from the U.S. has been slow and muted. So what are the reasons for that? And which areas in U.S. in terms of verticals or horizontals, we are looking to fortify our presence in U.S.?

Our ultimate parent entity is a private equity fund with a limited fund life. So, what is the residual fund life of the fund which one is Expleo and is there a way we can extend the life of the fund, If the company is not able to achieve the strategy transformation?

The last point basically relates to the capital allocation, as the capital allocation policy has been opaque till now. Some of the funds, as early as somebody pointed, have been parked in parent entity and some have been paid for buying some entities. So, what is the final capital allocation policy?

And lastly, how do we reassure ourselves that the allocation policy, which is capital will be prudent and minority shareholder friendly. I would love to go to answer them one by one.

Sampath Kumar: Yes, is there any other question?

Anuj Nandkishore Sharma: No, nothing from my side.

Sampath Kumar: Thank you Mr. Anuj Nandkishore Sharma.

Sampath Kumar: Chairman, with this, we can conclude the question session from all the shareholders. Now, I hand over to you sir.

Ralph Franz Gillessen: Thankyou Mr. Sampath and Thank you shareholders for your valuable questions and I would like Mr. Balaji, the CEO and Managing Director of the Company to start and give the first answer to the question of the members.

Balaji Viswanathan: Sure, Thankyou Chairman. Thank you, shareholders, for the questions.

First, I would like to start with thanking all of you for voting, overwhelmingly for the merger proposal on August 2<sup>nd</sup>, we have got an overwhelming 99.99% shareholder approval and 100% unsecured creditors approval. I sincerely appreciate all your support and the goodwill in the entire company and the support that you are extending to us. Now, I will get into the questions and try and answer one by one to the extent possible like Mr. Sampath and team mentioned most of the answers what we have prepared for was in line with what we had actually published as part of the annual report. And the expectation was to try and answer those. So, I will probably try and restrict the questions which are pertaining to the Q1 results and try and focus on mostly on what was covered in the annual report and also about the merger since that is something which is of great interest to everybody. For the

Q1 proforma and others, we have an investor call tomorrow, we will get the proforma numbers of the unlisted companies and know before that and will cover some of those answers during the investor call tomorrow for the Q1 results.

The first question from Mr. Bhesania on confirming that there are no other unlisted companies of the group after the merger. Yes, we do confirm that all the companies of the group are now part of this merger process. And once this merger has happened, the group will not have any other interests in India as on the date of merger for sure. So what will happen in the future, if there is going to be any other transaction, which the group will do, and how that structure will be, it will go as for the merit of each and every transaction that we may probably do at the particular point of time, but I can certainly confirm that as of now after the merger, the group will not have any other interest apart from the listed company in India.

On the celebrations for the 25<sup>th</sup> anniversary, which both Mr. Bhesania and Mr. Kalra asked for, we have not really planned for that, because we are still not sure the uncertainty of physical Vs. virtual AGM. Hopefully, if things go as per what is there currently, we should probably have a physical AGM next year and we'll probably try and see how big we can make that 25<sup>th</sup> anniversary celebrations.

Mr. Bhesania was asking about when we will cross Rs. 1000 Cr. And whether we will cross it over the next 3 years. Mr. Bhesania, actually, once the merger happens, as per the March 31, 2022, the numbers of the merger entity will actually have close to around Rs. 750+ Crores, in terms of turnover. And that was as on March 31, 2022. We expect that we should actually cross a Rs. 1000 Cr mark, either by March 31, 2023, or during the course of the year between 2023 and 2024.

On the question about cash distribution, buyback, dividend policies mentioned that in the past as well. we do have a dividend distribution policy now and I appreciate the question on an indication when we start distributing the free cash. Our objective is to try and see what is the maximum value that we can derive for both the company and to the shareholders through the cash holdings. We had invested in one of the acquisitions that is the Lucid Business Transfer that we did as of March, which actually integrated in month of April and we are looking at other additional opportunities, which will be more value of accretive for the shareholders as well. And that an appropriate time will take a call on a dividend and buy back once the merger gets completed.

On the sustainable margins, whether it should be in the 17% range or the 21% range, we had mentioned this during when we announced the merger scheme and how the integration will happen and what should be the future and also the subsequent investor calls as well over the last 3-4 quarters, the listed company has been in the range of 18% to 20% and the unlisted companies primarily the engineering business has been in the

range of 16% to 17% and we expect that we will continue to grow and deliver in the range of around 17% EBITDA margins going forward after the merger as well. And the scope of increasing the margin, by selling some of these new services to other industry verticals, particularly engineering services which we have not been selling in the non-European markets, so far, that is something which we will focus on and that, ideally, it should be more margin accretive as well. But as of now, our expectation is that, once the merger happens, the merged entity should deliver anywhere between 17%-18%, in terms of EBITDA margins.

Mr. Aman Vij asked for proforma numbers of Q1 for the unlimited companies. Sir, please wait till tomorrow. We will probably get the numbers and we will cover it as part of the investor calls. This Lucid added as part of Q1 numbers, Yes. It has been added as part of the Q1 numbers. And the Q1 revenue from Lucid was in the range of around INR 10 Crores, slightly less. And, that number is already included in the Q1 results.

On the other questions. I think Mr. Vasudeva Ramasamy had asked for attrition rate. As of last quarter, our attrition rate has been in the range of around 28%. And as of March 31, we were in the range of around 30%, slightly reduced, but, the risk of attrition is still there because the demand in the market is quite high. And what we are doing for that last year onwards, we had talked about this upskilling, retraining, hiring graduates, and making sure that we train them and keep them ready for future opportunities. That is where we have been focusing on and that program has been going on reasonably well.

The question which Mr. Aspi had also asked for saying that your employee numbers have increased from 1,100 to 1,700, but the revenue actually went up only by 35%. The reason is that some of those trainees whom we hired were also included in the 1700+ number. And they were getting trained and not productive at that particular point of time. And now, since last December onwards, they started becoming productive and you would see that a onetime investment that was done in the middle of last year and we are focusing on talent acquisition and talent retention because we know that is the key for us. However, given the circumstances, I think the attrition rates or the retention rates are in line with the market or slightly better than the market, but all our efforts, including, whether it is our HR team or the project managers, all of us are focusing on how we make sure that we retain the talent and also focus on how we upskill them for the future technology requirements and the customer demands.

Mr. Vasudeva Ramasamy had asked for what is the R&D budget for 2022 and 2023. So, we don't really have, what we call as R&D budget per se. What we do is, looking at what kind of investments that we need to do from a technology perspective, both in terms of talent or the people whom we need to hire to enhance our technical capability and what kind of partnerships and what kind of tools that we need to invest and that is not really a specific budget per se. But, you have seen the results, the results have actually

driven based on what kind of investments that we have been able to make in this area and whatever investments that we are making, it all keeps in mind what kind of profitability it will drive for us.

The other question Mr. Ramasamy had asked for was what is a specific assets that we bought from lucid technologies and what kind of results it is going to deliver to us. The assets that we bought from them are primarily, the capability, the technology, assets that they have built for the connectors and the tools that they have built for the data governance and the data migration and analytics support and the partnerships that they have with some of the global leading platforms, which are involved in data governance and apart from that, we also bought, the customer contracts. So, they were doing close to around Rs. 20 Crores of revenue as of last year, and this year with the integration and with the value that we can add along with our customers, we expect that the Rs. 20 Crores could be close to Rs. 30 Crores is what our expectations that is primarily driven by the synergy revenue as well. So, the margins that they drive that is the EBITDA margins that range is 20% lower to 20%. When the numbers are not significant compared to what our numbers are, it's still less than 5% to 6% of what our revenue numbers are. But we expect that the synergy that it will drive and the additional opportunities that we will be able to drive through this particular capability on overall data management. That is quite immense. And that also gives us a good hold in the U.S. market as well. Because all the customers are actually in the U.S. So, when you see the investor presentation that we would have done for Q1, which is including the Lucid results are contribution from the US from single digits are actually going into double digits.

Then the other question was Mr. Aman Vij had asked for is that, Sir, you have asked for a lot of details around employee wise, business wise, the attrition rates are. So, unfortunately, we really don't have that level of tracking as to how many people in which account and how many people in which capability are where we have attrition challenges, we have capability wise tracking but we don't really get down to the level of customer wise and the other nitty-gritties that you have asked for. Like, what I had mentioned, our attrition rates are in the range of anywhere between 25% to 30% and that is actually a challenge. It is almost doubled from what it was in 2020. In between the 2021-22 numbers, we are seeing it slightly going down in the last quarter, but we don't expect, any let down at least in this quarter or next quarter at while the market stabilizes with all the inflationary emphasis, heavy pressures and hopefully we should be able to see the better of it in 2023.

You have also asked for ER and D companies in India are doing 25% EBITDA margins and why is our margins lower? May be, will request Mr. Prashant, if you could answer that, breakup between the mechanical versus digital..

Prashant Eknath  
Bramhankar:

Yeah, so it is ER and D Company, it depends on like, what we are comparing with. The pure engineering research and development companies or product development companies, their EBITDA are in the range of between 12% to 16% - 17% if they are combining the digital services along with the ER and D, their EBITDA are going up. So, it depends on like, who we are comparing with, if you are competing pure ER and D, that definitely between 12% to 17% and nothing more. But if they are also offering digital services their combined EBITDA goes up. That's observation.

Balaji Viswanathan:

Yes, Thanks. You have also asked for the question on, we have around 4,300 employees and planning to add around 1,000 employees year on year. So, if you look at it, the plan to add 1,000 employees is based on the demand sir. So, it is not that we have a target of doing only 1,000. It's the question of what the kind of demand is that is going to come to us and what the customer asks is going to be, obviously we are not just going to hire without the underlying demand per se. So, whether the 1,000 will go to 1,500, it will all depend on what the market demand is and what the scenario is. We are still confident that we will reach the 2025 December our target of 10,000 employees both organically and inorganically in line with our expectations.

Then, coming to Mr. Rohit Balakrishnan, Over the last 2 to 3 years what kind of revenue share will be from engineering services. So, Mr. Rohit, thanks for your questions. It's similar to what we were discussing in some of the investor calls as well. Currently, post the merger, the revenue from the engineering services would be in the range of around 28% to 30% of our total revenue and we expect that both the technology services and the engineering services will grow almost at the same rate. And by 2025, it will probably be 60 - 40 or 65 - 35 is what our expectation is. It is not going to be drastically different. And as long as we are able to grow, both the businesses are almost the same rates and some of the capabilities are quite similar between the 2, particularly in the digital space and I know we should be able to cross leverage between the 2 and our Pune entity used to have very high margins with 25% EBITDA, how come it has come down I will probably start with that and we will request Mr. Prashant to add more on top of it. Yeah, we used to have higher margins in 2018, 2019, primarily, because at that particular point of time, the way the transfer pricing was being managed or how the revenues are managed to us, not so particular about what the tax guidelines where. So, that 85% of the revenue of the Pune entity comes from the group. So, it will all depend on primarily around how we manage the entire group engagement per se and we still continue to look at, what we did and what we published as part of the March 31, 2022 numbers for the unlisted companies, Pune entity still was doing a close to around 20.5% to 21%. As the engineering business grows in Pune, that margin is likely to come down marginally and that is the reason why we are expecting it to be slightly down.

Prashant Eknath  
Bramhankar:

So, that is a perfect analysis. Majority of the business delivered from Pune entity is group business. So the guidelines followed for transfer pricing back in 2018-19 versus today, based on the current recommendations from the consultants and the tax authorities, it's been changed slightly. So that is the reason, it is coming down by a couple of percent and also now we started delivering engineering business for last 18 months or so from Pune. That is also one of the reason why it came down by a percent or 2, but it will remain in the similar lines as Mr. Balaji, as you mentioned, going forward.

Balaji Viswanathan:

You had asked for the merger call last year Mr Rajesh articulated the vision of increasing the off-shore and in-shore rates. Yeah, and it continues to be so as we are growing, even if you were to look at the Q1 numbers, or even the last year numbers, the group numbers are growing at the same rate as what our other businesses are growing at. So, if we are growing at 30% - 35% for all the other direct markets, even the group business is growing at 30% - 35% mark percentage as well. So, we expect that, you know, as we go along the group business will probably grow faster than what the other businesses are. We still are in the expected line of around 20% to 25% by 2025 from the group.

At a consolidated level, can we achieve Rs. 1,500 Crores, 2 years or financial 2022 levels by 2025. Yeah, that is what our aspiration as well. We don't really give a forward looking guideline or forward looking statement. But our aspiration is also very similar, both organic and inorganic if we can double up business in the next 24 to 36 months is what our expectations as well. But obviously, yeah, it depends on a lot of other factors as well.

With respect to engineering services that are mainly listed, and I think that is something which we answered.

What are the key risk to our strategy as we scale from here? What can derail? The key risk was actually, we are people and we are services business and our primary asset is actually our people so the challenge in talent and also, if there is any other global recessionary or inflationary pressures based on which the demand slows down. These are the only 2 main factors that can actually impact us, which we don't see any impact at least in the near term to medium term and we are keeping a very close watch on how this is going to span out.

Can we look at crossing Rs. 900 Crores of revenue in this financial year? I don't want to make a forward looking statement here, but it could happen if all the factors align. In terms of merger timelines, Mr. Desikan, I am rattling out numbers, please keep me honest if I am not seeing the right number. The merger timelines I will pass it on to you, if you want to add anything more on.

Desikan Narayanan:

On the merger timeline, of course, we have done the shareholders' approval. Now it is more from a procedural aspect what we need to look at. And, of course, it's all depends upon how much faster the NCLT also moves on this currently if you look at the speed, what we are looking at and the plan is around closing it by end of November or beginning of December. That is the timeline we are looking at closing and getting the NCLT order finally. So. That is the timeline. Yeah, and the effective date will anyway be 1<sup>st</sup> April, 2022.

Balaji Viswanathan:

And the last question from Mr. Rohit is on BFSI, 25 new customers added and all our hard work is paying off. Thanks for the compliment Rohit. Really appreciate that you are making those positive statements. Yeah and we expect that we will continue to grow and if I were to look at the 2017, 2018 and 2019 numbers that you are asking for, so, on an average, if you were to look at it in the past, our new customer additions have been in single digit till 2019 and 2020 is when we first crossed the single digit to 12 new customers, and then 2022 we added 25 new customers and we continue to add as we start focusing on primarily the Asia part and the India markets. Well, the ticket size are small, but the potential from these customers are much higher. So, it is the question of how we form these customers and make sure that we are able to sustain the growth.

Mr. Bothra, thank you sir. Thank you once again for joining us in the shareholders meeting last week and now as well and thanks for all your compliments and your vote of thanks as well. Around 60% of the total revenues comes from 2 continents, Europe and U.S. I know your question on what the impact is it will have on the inflation and the macro-economic situation. At this particular point of time in the business that we are in, which is primarily supporting our customers and the digital transformation space under the digital, we don't see anybody slowing down because this is going to be imperative for everybody and we don't see anybody slowing down on that technology transformation journey and even if there is any recession or anything, or the expectation at least from the economist is that it is going to be short. It is not going to be a very long recessionary cycle, but as of now, or at least in the near to medium term, we don't see much of an impact and we are keeping a close watch and that is why, if we look at our geography spread as well, we have a reasonably good spread between India, Asia and the Middle East markets as well. So, as if you see any challenges, we will start focusing more or we will start being more aggressive in some of the other markets to make sure that we don't really slow down from an overall business perspective.

And what is the medium term management plan, we had highlighted this both in annual report and what we want to do as well. We want to be your digital assurance partner and we also want to be a digital transformation partner. And that is why we have invested in all the digital capabilities where it is software development, low code no code, data management and a whole lot of other capabilities so that we can actually become a one stop shop for our customers for their entire digital transformation

journey. There are some of them, which are vertical based and some of them which are more horizontal based and our focus is to have deep domain knowledge of our customers business and also the technical capabilities. So, that is why we are investing in specific domains and the horizontals are primarily around how we leverage the technology and that is what our short to medium term plan is. And we are trying to align with what the group wants us to do as well so that we can get more business from the group with that particular alignment.

So, we talked about the dividend distribution model earlier, the economic value added, Mr. Desikan, you want to answer that.

Desikan Narayanan: Yeah, on the economic value added, if I look at it on a standalone basis, we are at 289 Million and on a consolidated level, it is around 283 Million, that's the economic value add for Expleo.

Balaji Viswanathan: And that's assuming that the alternate capital deployment gets us around 10%, which is still a little more aggressive return compared to what the market offers but if you are to take the 10% return, we are at this level.

Then Mr. Kalra had asked about what the real impact of Covid-19 is. Actually, we have had a positive impact of Covid-19 instead of a negative impact. We had a slowdown only for the first 1 to 2 quarters. After that we have only been seeing more demand and a better profitability. So, we have not really let go of any employees rather we have been actually hiring more employees rather than letting go of employees and we were never in a situation where we had to make any pay cuts to any of them either so that is the silver lining, amidst the pandemic.

So, you asked for what the light at the end of the tunnel is? We never went into darkness for us to see for the light. So that way we were better off and your efforts on cap, efforts on cost management, Sir, if you look at it, our margins and our GNA expenses have always been under the control over the last 3 years. It's been only reducing rather than increasing, as a percentage of our revenue and most of our investment have been primarily around how do we invest back in the business whether it's technology capabilities or people or resources rather than as units. So the other expenses have always been under the check for the last 3 years if you look at that front.

Well, rest of the questions, I have been answered in the past. So, finally Mr. Nandkishore Sharma, Expleo Group France acquired companies like consulting, Assystem's care and tie-ups with Sprint and the other entities, Mr. Ralph, do you want to answer that question on the acquisition made by the group and how that's going to actually impact in India as well.

Ralph Franz Gilleszen: Thank you Mr. Balaji and to spend a few words on this. I think even when we are looking at it from the perspective here and even from a perspective we have decided even to focus from a capability perspective on engineering technology and I think in

terms of diversity from the industries, we are coming from the strong industry expertise in our area automotive, and especially even banking financial service and there, as part of the strategy, we even see how can be diversify in terms of industries. And this is even where we have seen that the life science has get business. It is quite an attractive market for us, giving a lot of synergies, even with our current portfolio and this is why we are even making even then investments, even to diversify the industries we are in and there was even the background for the acquisition of the life science business, and even more leaning at the moment towards the engineering portfolio. And in the same way, as we are working, for example, is for our Aero customers and even automotive customers, even here from India, we are even expecting to do this in the life cycle and can chemicals business in addition to this. We even see that we, that we still have some regional gaps when it comes to our capabilities, as I said, engineering technology and consulting are the 3 pillars we have seen that we must strengthen, especially the consulting activities in Germany and therefore we have even then decided that a complimentary acquisition in there was a strong management consulting organization like, US will help us even to be successful in the German market it might be where we have similar organizations in the US versus Central. In the UK with more that we have seen, even that in the German speaking countries. And the importance of even to complement our capability portfolio, even with this acquisitions and I think going forward and we will we continue to see how can we from a technology perspective and complement our portfolio, one example was even here the Lucid transaction, but even then to see what does it mean in terms of industries and even capabilities, and I think we, as a group will continue to do this and we always see that this is even then bringing additional opportunities to our customers and as the business model that we have implemented is always on a distributed delivery model so all the investments that we are making in new industries or even new capabilities will even have a direct or indirect impact and for this organization and our activities in India.

Balaji Viswanathan: Yes, and the next question is, are there more such acquisition opportunities with the Assystem portfolio.

Ralph Franz Gillessen: I can say that we are still working on the portfolio or that we are working even on other opportunities at the group level and we are even expecting to probably execute on this and even then doing one or the other transaction over the next 12 to 18 months.

Balaji Viswanathan: Okay, on leveraging the PE fund's portfolio. Mr. Nandkishore, yes we are leveraging and we are looking at what the other portfolio companies are and how we can actually go and cross sell our services to them. But, the PE fund who is invested in us, focuses on certain areas and we're looking at how our capability will actually add value to that particular portfolio.

Our inorganic activity in the U. S. has been muted. What has been the key reasons for the same? So, we had mentioned in the last

couple of years during the calls as well. The US strategy is going to be based on what the group will do as a major investment in the US, given the Covid-19 scenario and the industries that got impacted, which is primarily, Aero and Auto. We had a setback in the year 2020 when the revenues and margins went down and on 2021 we bounced back. So, obviously, the challenge in terms of how much money that we could invest because in US is not a small market where you can go and do a 20-30 Million kind of acquisition projects, Mr. Rajesh had actually mentioned earlier as well in one of the calls, if you had to go and do something significant in the US market, it has to be, at least in the hundreds of millions, rather than smaller ones. So, the revised plan for US from the group is looking at some time in the second half of 2023 or early 2024 if we were to make something significant.

Ralph Franz Gillessen: You can even from a group perspective confirm it, it is a top priority question is even then on timing, Mr. Balaji mentioned the pandemic. I think we had a strong focus even on the process and the execution of the strategy, even then in our existing markets including in what we are doing here with the merger, but even with the organic growth that we are even achieving here at the moment, even with some of the macro-economic uncertainty is the inflation in your energy rises and things like these, we will definitely even consider and we are currently discussing what will be even then the right timing with the support of our all our shareholders even then to have a significant entry into the USA market.

Balaji Viswanathan: Yes, and the other question was, our ultimate parent is a private equity fund with a limited fund life. What does the future of the private equity?

Ralph Franz Gillessen: I think it is in the nature of the business and the setup that it even just as a limited lifetime. I can't comment on what are the strategic options for our shareholder or whatever but I think they will evaluate certain options. There's always an opportunity even to move it to another fund, even within the existing portfolio. But I can't comment any further on the strategy of our shareholder in this meeting,

Balaji Viswanathan: But we are not under any pressure. So no need for us to think for that role.

Ralph Franz Gillessen: I think we have we have an excellent year and if we even look at 2021, I think even all the indicators as confirmed by Mr. Balaji are promising. So, we have a strong and continued support of our shareholder and this year, next year or so. I do not expect them any surprises.

Balaji Viswanathan: Yes, I think that is all, the rest of the questions are the ones that capital allocation and the pieces that are already answered. That is it Sampath, thank you so much. Thank you. Chairman.

Ralph Franz Gillessen: But I think for this comprehensive overview, we have even said that CFO was always keeping you and us honest. So,

Mr. Desikan, for any question, is there anything that you would like to add to Balaji's answers so that we can close this Q and A session.

Desikan Narayanan: So, I think it was very brief answering from Balaji's answers. So, I think he has answered most of it. So, nothing from me to add to it.

Ralph Franz Gillessen: Okay, thank you Desikan, then lets close the Q and A session.

As informed earlier, the electronic voting facility will remain open and available for the next 15 minutes enabling the eligible members to exercise their vote 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 13, 2022 and it shall also be submitted to the Stock Exchanges. The members can view the same. This concludes the business of the 24<sup>th</sup> AGM of the Company. I thank you all for your participation and smooth conduct of the meeting.

Thank you very much.