

INSPIRISYS SOLUTIONS LIMITED
TRANSCRIPT OF THE 27TH ANNUAL GENERAL MEETING

Day & Date:	Thursday, 30th June, 2022
Time:	2:00 PM
Deemed Venue of the Meeting:	First Floor, Dowlath Towers, New Door Nos. 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai - 600 010

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

Chairman Sir the sufficient quorum is there, please start the meeting.

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

Thank you.

Good afternoon, everyone and welcome to this Annual General Meeting of Inspirisys Solutions Limited being held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) for the third year in a row.

Since the onset of the COVID-19 pandemic and the continuing measures put in place by the government and for also everyone's safety this meeting is being held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). All the Shareholders have been sent communication for their participation in this AGM by Email. This is in compliance with the Circular issued by the Ministry of Corporate Affairs as well as SEBI. I would also like to welcome all the Directors. Dear Shareholders I would like to introduce my fellow Directors of the Company Mr. Koji Iketani Who is a Non-Executive Non-Independent Director, Mrs. Ruchi Naithani, Mr. Raj Khalid, Mr. Rajesh R. Muni and Mr. M S Jagan who are Independent Directors. Mr. Murali Gopalakrishnan is our Chief Financial Officer and Mr. S. Sundaramurthy is the Company Secretary along with our Statutory Auditors and the Secretarial Auditors are also present at this meeting.

I would like to announce that the number of shareholders present in this meeting are 35 and we have recorded their presence at the meeting.

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

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

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

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

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

I would like to request the members to consider that the notice convening this AGM and the Directors report as already sent to the members electronically as read.

Now I would wish to give a short speech on the Company's performance and related affairs.

Chairman's Speech:

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

It has been more than two years since the Covid-19 pandemic started and hopefully we may be nearing the end of it. How life has changed for all of us in these two plus years and the tremendous loss it has caused in terms of life, health, jobs, livelihood, business etc. The financial year starting April 2021 started almost on a similar note as April 2020, with the business getting severely impacted due to the havoc caused by the Delta variant from April 2021. The System Integration (product/hardware) and WMS business in India took a major hit as movement of goods and people were restricted. Both these businesses together account for about 40% of the revenue in India in the financial year 2020-2021 and with the sharp fall in their revenues the company suffered losses. As things opened up gradually from the third quarter, business did improve but it was not good enough to make good the shortfall of the first two quarters. The Company achieved a marginal profit on standalone basis but went in loss on consolidated basis in the financial year ending 31st March 2022. Revenues were lower than the previous financial year. The standalone EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) reduced from INR 1,687 lacs in 2021 to INR 1,297 lacs in 2022. On a consolidated basis the EBITDA came down from INR 1,672 lacs to INR 229 lacs. Like in the previous financial year, the revenue was mainly impacted due to the sharp decline in the System Integration business in India primarily because of the pandemic and restrictions on movement as well as drastic drop in revenues in Dubai.

The impact of Covid-19 as well as trouble in certain large projects at ISDMCC lead to huge losses at the subsidiary. This has affected the overall performance of the ISL group drastically leading to a loss on a consolidated basis. The senior management led by Mr. Maqbool Hassan is directly overseeing the operations of ISDMCC. ISNA has turned profitable on a standalone basis and with the offshore work it has contributed positively. The demand from the US market has been strong from end of 2020 early 2021. This helped us in growing the business. We were also able to get higher billing rates from clients. Despite the positive contribution from ISNA and ISL on a standalone basis, due to the huge losses incurred at ISDMCC, on a consolidated basis the company is in a loss.

The travel restrictions due to the Covid-19 pandemic put in place by the US and UAE impacted our business considerably as we could not send people to work onsite. This led to delay in completion of certain projects resulting in cost over-run as well as loss of opportunities.

I would like to now briefly touch upon the focus areas of the company. Your company is continuing to invest and focus on adopting new technologies, building competencies as well as offer value added services across the six practices - Infrastructure, Cloud, Enterprise Security, IOT, Banking and Product Engineering Development. Some of this is still work in progress. The market we are targeting is both domestic as well as overseas.

For a good part of the financial year the domestic market we address was affected due to the Covid-19 pandemic. Infra services continue to be the main contributor towards our Enterprise Services business with the aim being to move up the value chain. Besides targeting large Public Sector organizations, the emphasis is on acquiring more customers in the Private Sector. Cloud and Security are our focus areas too but we have got limited success so far. However, the global market for Cloud and Security is huge and the responsible managers are taking steps to tap into this market - both domestic as well as overseas. We are also expecting our investments in RIM and SOC to give improved returns going ahead. The launch by our Banking practice of our Government Business Suite (GBS) last year has enabled us to meet the growing demands of the domestic Banking Industry. Besides our existing clients we have succeeded in acquiring several new banks, including Private Sector banks, as our clients within one year of the launch of GBS. Our IOT practice has labored hard for the past two years and we have done several successful POCs for clients in India. The sales cycle for IOT is longer than other software services. Unfortunately, due to the pandemic clients' decisions were on hold and we are still to receive large orders. Meanwhile, we have gone ahead and set our IOT lab in Chennai and continue building more capabilities. Product Engineering Development (PED) practice is predominantly serving the overseas business, especially from the US. However, we have gradually increased the share from the domestic market in the last couple of years and we are intending to increase the scope of our services in PED to include DevOps, Artificial Intelligence, Machine Learning, Blockchain, low code technologies such as GoLang etc. for the domestic and overseas market.

We have Industry vertical specific service offerings for BFSI, Manufacturing, Telecom, Healthcare and Govt./Public Sector. With the pandemic related restrictions in place it was a challenge acquiring new customers, however a concerted effort in cross sell and up sell, leveraging across practices to provide end to end IT solutions enabled us to manage the situation.

Your company has a mature, well established delivery capabilities which it has built over the past few years meeting the present-day and likely future expectations of customers globally. The demand for skilled resources has shot up in the past year and a half thanks to the drastic increase in requirements from the US market. The job market is over heated. Attrition is at record levels. Dependency on people skills has come to the fore very clearly. While we are making all efforts possible to put the necessary systems and processes in place to streamline our operations and improve productivity, we are also investing in our human capital by upskilling individuals in the latest technologies and providing them career paths that enable them to fulfill their aspirations. We are also strengthening our human capital by inducting freshers/graduate trainee engineers to improve productivity and profitability. We continue to have growth oriented strategic alliances and engagements in place with 50+ OEM's & Partners at various Partnership levels to complement and strengthen our portfolio of offerings & capabilities.

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

As a responsible corporate entity, the company has contributed a sum of Rs. 21.98 Lakhs as part of the Corporate Social Responsibility (CSR) to ICT Academy Chennai towards Education / Technical and Soft Skill Development for students in rural areas of Kerala, Maharashtra, Tamil Nadu and Karnataka.

Thanks to the vaccination drive a large part of the population has received two doses and a majority of the work force has started attending office from early 2022. While the concept of WFH is continuing, we expect a return to Work From Office in time to come. WFH did help us to save on office rentals, travel, utility costs etc. However, one of the drawbacks of WFH is that employees do not develop the relations with fellow employees or have the feeling of belonging to the company. This could also be the reason for the unusually high attrition rates across the IT industry. Also, engaging with the customer was a challenge at times due to the Work From Home policies of customers. The past few months have seen a return to office from the customers which has enabled in person meetings. This has helped in closure of certain opportunities that were under discussion for some time.

The Dubai subsidiary losses have hit the overall performance of the company and the senior management is working on taking corrective steps. On behalf of the Board and Management I would like to thank all the shareholders for their understanding and reposing their faith in the Company. I would also like to take this opportunity to thank the Board Members, Management and all the employees of the Company for their support and cooperation. I also want to express my sincere appreciation to our customers, partners, bankers and all other stakeholders. A special thanks to the Statutory and Internal Auditors and Secretarial Auditor. Last but not the least, I would like to mention that CAC Holdings Corporation has continued to provide us with the necessary financial and other support required by the Company and I would like to express my sincere appreciation for the same. Please continue taking care of yourself and your family. Stay safe, stay blessed. With this I would like to conclude my speech. Thank you very much for your patience.

Now I would like to request Mr. Sundaramurthy, Company Secretary to read the Qualifications/ Observations/ Comments/ remarks from the Statutory Auditors Report and treat the other parts of the Auditors Report to be taken as read.

Mr. S. Sundaramurthy, Company Secretary

Thank-you Chairman Sir, Good afternoon to everybody.

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

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

The Company has reported an amount of Rs. 3,628 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 31st March, 2022 which are significantly over-due. Further, due to non-realization of aforesaid trade receivables within the prescribed time limit in accordance with sub-rule 1 of 96A of CGST rules, the company is liable to pay Goods and Service Tax (GST) liability along with interest and penalty on such export sales. The management is confident of recovering the aforesaid receivables from the subsidiary based on the business plans as detailed out in the management note and accordingly, no expected credit loss provision has been made against such long outstanding receivables under Ind AS 109, Financial instruments and no provision is recognized towards aforesaid GST liability including interest and penalty, However in the absence of sufficient appropriate audit evidence regarding the timing and extent of cash flows that will be available with the subsidiary to settle these dues, we are unable to comment upon the recoverability of the carrying value of the said trade receivables as at 31st March, 2022 and impact on Goods and Service Tax liability, including penalty and interest that may be levied, and the consequential impact thereof, if any, on the standalone and consolidated financial statements.

2. As Disclosed with Note 41(b) to the Standalone and Note 40(b) to the Consolidated Financial Statements (Emphasis of Matter – Show Cause Notice from SEBI)

Which describes uncertainty related to outcome in respect of show cause notice received from the Securities Exchange Board of India for alleged violations with the Securities Exchange Board of India Act, 1962 and Securities Contract (Regulation) Act, 1956 and rules and regulations made thereunder in earlier years. In view of the management, the aforesaid matter is not expected to have a material impact on the accompanying Standalone and Consolidated Financial Statements of the Company. Our opinion is not modified in respect of this matter.

The explanations / comments are given by the Board of Directors in the Annual Report at Page no. 14.

Thank-you Chairman Sir over to you.

Mr. Malcolm F. Mehta, Chairman and Chief Executive Officer,

Thank-You Mr. Sundaramurthy.

I would like inform you that the Company provided remote E-Voting Facilities to all the shareholders which got over yesterday at 05.00PM. Those who have not voted through remote E-Voting electronically is provided at the AGM for the members. This facility is for the shareholders who have not voted through remote e-voting. They will be able to vote here. I would also like to inform the members that show of hands is not permissible at the AGM.

I wish to inform the shareholders that the Board of Directors have appointed Mr. M.Alagar, Managing Partner (Membership No.F7488 and CoP No.8196) of M/s. Alagar & Associates, Practicing Company Secretaries, Chennai as the scrutinizer to scrutinize the voting process (both remote e-voting and e-voting process at the AGM), for the resolutions included in the notice of the 27th AGM.

Now, I would like to request the members who have registered themselves as speaker shareholders to ask their questions and/or provide any comments on the financial statements for the financial year ended 31st March, 2022 along with the report of the Auditors and Directors thereon and to invite questions on any of the agenda items stated in the notice calling the AGM.

All Shareholders are requested to give their name and folio number before they ask their questions. You are requested to keep your questions to the point and the time available to each speaker shareholder is three minutes. Please refrain from talking for a long time as this will take away the time

for other shareholders to ask their questions. Please direct your questions to the concerned financial year and relevant to the Company. Thank-you for your cooperation in advance.

Moderator:

Thank-you Sir, Dear Shareholders now we will move on to the Q&A Session.

We will take the questions in order how speaker shareholders have registered themselves.

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Namaskaar Sir, ek minat mere ko, video share kar raha hoon, ek minat. [Hello Sir, one minute to me, I am sharing the video, one minute]

Moderator:

Dear Shareholders, we have Mr.

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Haan haan ek minat rukie hello ek minat rukie main video share kar raha hoon. Maany sabapati jee upasthit sadaysagan aur mera shareholder bhaiyon aur bahanon jo aaj ham video conferencing thro project hain. Mera naam Santosh Kumar Saraf, mein kalakatta se bol raha ham sabase pahala ab sab ko mera namaskaar. Ash kar tho aap humera jaitan bhi director haan jaitan bhi aadhikarai gun hain jaitan bhai karmachhaaraiai aaj video conferencing through project hai woh achhchhh svaasthy main hoong Sir. Sir, meree hindi samaah me aah rahee ya aapko. [Yes yes wait one minute hello wait for one minute I am sharing the video. Mr. Chairman, Members present and my shareholder brothers and sisters we are today project through video conferencing. My name is Santosh Kumar Saraf, I am speaking from Kolkata, first of all, hello everyone. I am hoping that all Director, all Officers, all Employees today projected through Video Conferencing they are in good health. Sir, is my Hindi is understable to you.]

Mr. Malcolm F. Mehta, Chairman and Chief Executive Officer,

Jee bilkul [Yes of course] Thank you.

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Haan nahin jee nahin ho toh chesta kar raha angrezee mein bolane kee. [Yes no Sir then I will try to speak in English]

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

Boliya boliya. [Speak Speak]

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Sir, aapki company kaafi acha perform kar rahe hai Sir, fir be apane ko abhi dividend nahi aa raha hai kab tak es list hamaar naam aaega yeh bataane ka kaastah kariye, Eske saath apna future plan kya hai, eska bare me betayaga, jisse zyada se jada apne company mein dividend ko la sakega. Iske saath mereko ye poochhana hai ki apna e-wastage joh nikalata hai, usko dispose karne ka kya planning hai? Sir, apne yahaan jo bhi office building hai, usme rain water harvesting ka liya or renewable energy ka liya kya kadam uthayen hai? Aur kal se Single Use Plastic band ho raha hai toh uske badle mein kya use karenge? Aapke Secretary na mujse pehla prashn bola tha bejaina kala lekin may bej nehi saka elska la may saam kachta hoon ki ghar me mera thore bhemer cha rehe tha elsi la may behein nahi saka else la may saam kachta hoon sir. Apne company may kitne women employees aur disable employees hai? Sir jo 2005 si dispute case pending hai Income Tax sambandhit aur ana sambandhit iska kya soch aur vichar hai? jisee humara balance sheet clean ho jayega. kaafi cases pending hai acha nahi lagta hai litigation apne pass. Sir future plan ke baare me batain, aur step uttain but apna jo karmachaaree hai abhi agnipath ko laakar jo abhi chaar saal me jo bhi karmachaaree gan hai ujkna abhi se koe reserve quota announce karena ka vichar hai tho bataiye. [Sir, your Company is performing very well. Sir, then also dividend is not coming to us, till when in this list our name will come,

please inform us, along with this what is our future plan, please inform us about this which will bring maximum dividend in your company. Along with this I want to ask about e-wastage which comes out, what is the disposal planning for that? Sir, in our all office building, in that for rainwater harvesting or renewable energy what steps are taken? And from tomorrow onwards Single Use Plastic is banned then what will be used instead of that. Your Secretary told me to send questions in advance, but I was not able to send for that I am sorry Sir. In our Company how many women employees and disabled employees are there? Sir from 2005 dispute case are pending in Income Tax related and other related, how is your thought on that? from that our Balance Sheet can become clean, too many cases pending does not look good, keeping litigation with us. Sir, tell about future planning and steps taken for your employees. Relating Agnipath now four years those employees come out for them now onwards you think of announcing any reserve quota for them.]

Moderator:

Dear Mr. Santosh. Dear Mr. Santosh Saraf.

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Haan ji khatam ka raha hoon, khatam ka raha hoon. Kae kampaniyaan ne declaration diya hai tho aap agar vichar karein tho Central Government ko bhi help maangiye. Last mein yahi request karta hoon Sir apne jo meeting hai jo humara Calcutta se bahar ki company hai, agar future may agar physical meeting ho thi hai tho video conferencing meeting ka dhyaan rakhega abhi to do teen deen ek haphta pahale Sir humara Calcutta mein meeting thi, Keshavan Industries ki aur Bangalore mey bhi meeting ho thi Infosys woh log physical meeting ke saath hybrid meeting ka bhi option de rahe the. Tho future mein physical meeting jarur kariye pehle physical walon ko mauka de fir hybrid walo ko thoda mauka de gaine tho apni dil ki bawana phek sake aur apki darshan bhi kar sake. Sir. Lastly aap sabhi jitne bhi Director hai, adhikari gan hain upnki parivaron ki prarthana karta hoon Bhagavan unko healthy, prosperous aur safety rakhe. Jai Hind Jai Bharat. Sir, ek aur prashn yaad ah gaya ki 2019 mein jo physical meeting hui thi usme apna kitna kharcha hua tha aur aaj jo video conferencing jo do saal se kar rahen hai usme kitna kharcha hua, record dikeyaji Jai Jawan aapk sab ko lambi umr ki kamana katha hoon. [Yes Sir I am completing now, completing now. Many companies have declared, if you think about it then Central Government will be helped from this. Lastly my request is that Sir your meeting, the company is outside Calcutta in future if physical meeting is held, then keep in mind about video conferencing, now two three days one week before Sir meeting was held in Calcutta, Keshavan Industries and when meeting is held in Bangalore for Infosys then they along with physical meeting, hybrid meeting option was kept. Then in future keep physical meeting, first give chance to physical, then give chance to hybrid then they will throw away feeling of their heart and can also see you. Sir, lastly all those Director, Officer and their family, I pray to God to keep them healthy, prosperous and safety. Jai Hind Jai Bharat. Sir, I remembered one more question that in 2019 when physical meeting was held in that how much cost involved, show the records. Jai Jawan I pray for long life for all.]

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

Dhanyavaad, shukriya tho apke questions thora jyaada, tho try kareinya jetan answer kar mai aur angrezee aur hindee mein dohna meinki try kariya. [Thank you, Thanks so your questions may be little more, will try to answer and will try in both English and Hindi.]

Mr. Santosh Kumar Saraf – 1st Speaker Shareholder:

Dhanyavaad Sir. [Thank You Sir.]

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

Thank-you very much for always coming up and sparing your time and you know giving us the opportunity to explain on your queries.

So Mr. Saraf you have question regarding dividend as you aware presently due to the performance of the company and the losses that have we incurred we are unable to give the dividend and therefore as and when the performance of the company improves we become profitable be rest assure that the company would be giving out dividend to all the shareholders. I would also like to you know answer

your question on you know certain points which regarding the company and you know with regards to the meeting that we are having now which is virtual as well as physical meeting and all that definitely as and when the situation changes we would like to you know have a physical meeting and your suggestion on having an hybrid model of the meeting also I think a good suggestion maybe next time around you know things permitting we would definitely want to consider how you know we are in position to be able to do that.

With regards to the women employees do we know the numbers?

Mr. Murali Gopalakrishnan, Chief Financial Officer:

14%

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

Presently we are having 14% of the workers you know which are the women working for the company about 250 people 250 women are working for the company we have definitely wanting to consider increasing the share of contribution from the women employees going ahead.

I think you had asked in the past about E-waste related policy and all that so I would also like to say that many of your questions which you put up we will try and answer to you and send across the information at a later date also and may be you need some more clarifications please do feel free to come back to us and you know ask for more queries. You could also call us up.

On your query with regards to some of these tax related matters which have been pending and which are going on these are matters were actually ideally we would like to settle it or you know complete the matter at the earliest but these are not the matters and the proceedings or the timelines are not in our hands unfortunately we are not in the position to close the matters even if we would like to, there are certain matters obviously were we are in a very strong position and therefore we would definitely want to continue litigating but that all takes a lot of time. You're right I mean these matters as well as other litigation matters not only the tax matters do cost the company a significant amount and impact in the last one year we spent about what a crore.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Additionally 1.5 Crores.

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

The legal and consulting legal charges and all that have gone up by 1.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

1.5 crores.

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

1.5 crores, compared to the previous year so definitely we would like to see if we can close some of these matters if not all of the matters, so I think I have tried to cover most of you. We do not have any rain water harvesting.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

It's done by the Building itself because most of the properties are leased accommodations.

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

Yes we ourselves don't do it, but the properties that we are using the landlords are...

Mr. Murali Gopalakrishnan, Chief Financial Officer:

It's compulsory because otherwise the corporation will not allow permit.

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

Okay, So that's how it is handled regards to rain water harvesting.

Thank-you very much Mr. Saraf and I hope you keep well and I heard that you have family member who is not keeping well. I wish speedy recovering for your family member thank-you very much.

Moderator:

Dear Shareholders we have Mr. Abhishek our 2nd Shareholder.

Mr. Abhishek – 2nd Speaker Shareholder:

Sir Am I Audible.?

Moderator:

Yes Sir.

Mr. Abhishek – 2nd Speaker Shareholder:

This is Abhishek Speaker Shareholder Sir No. 2, my no. my DPID - IN301637 Client ID – 41359155

First of all, I Congratulate the Management on the eve of Annual General Body Meetings, I trust all is well with you and your family in this challenging situation. Our Company deserves much more respect and the current market cap after competing more than a decade of successful operations profitability and becoming one of the strongest brand in respective segments.

And I would like to know how our business has been impacted in these past 3 years of this COVID time, the Corona Virus and the subsequent lockdowns have left virtually no industry untouched after the COVID, whether any employees have been sacked, hired, salary cut in percentage if any I would like to know from your sir.

And Sir what are the steps been taken by the Management to reduce the other expenses, legal professional charges and audit fees. Sir myself and my team are running a legal firm in the name and Style of 7 Wealth & Associates in Chennai, so I request your good selves to kindly enroll our firm in the empanelment of the Company and we will be glad to extend our services Sir, so I would request the management to kindly get it done with me Sir, so that I can share my credentials with you Sir, And I would request the management to kindly take part in Con-call, Quarterly Presentation and meeting with global investors on a regular basis sir so that it gives a good improvement in the business of the company Sir and we can see that the share price also multiplies with that and nothing much to ask Sir my best wishes for the company for this particular annual general body meeting hope to see you in the physical AGM next year, I wish the Company and the Board of Directors a great success and prosperity in the coming future and thank-you for giving the opportunity, Thank-you very much Sir.

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

Thank-you very much Mr. Abhishek, It's nice to see you again after a gap of almost a year.

Mr. Abhishek – 2nd Speaker Shareholder:

After One year.

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

Yeah, so regarding your questions with regards to you know how did we handled the business during the COVID time and all that yeah you were right I mean everybody was impacted and I have mentioned in my speech we were also not spared I think this question was similar question was there in the last year with regards to whether we took steps to sort of streamline our operations and all that we did take steps and we have been taking continuous steps with regard to optimizing our operations, reducing our cost and all that but we have not even in 2020-21 as well as 21-22 we have not basically sort of retrenched people from our end okay and considering the market in the last in fact 3-4 quarters where you know the demand for IT Resources is so high getting people itself it's a you know it's becoming a

challenge for some of our businesses so what we have done is yes we have rationalized and optimized our operations where we were able to cut on the cost and all that and make sure that we got what should we say cost savings which helped us in retaining people who were actually contributing for the organization.

With regards to your question on legal fees and all that as I mentioned the past earlier shareholder also has the question yes we have actually end up spending more on legal consulting fees than last year and we were into some matters which have come up and which are also there in the public domain so we are obviously not wanting to spend our money or time on that we would like to focus more on the business and we would like to make sure that we are in a position to invest in the operations in the business of the company which will enable us to grow the business and looking to new areas of business which are going to be helping the company become profitable.

What else the other question?

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Yeah one was on new product innovations that he had asked for.

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

Yeah, yeah., I mentioned in my speech also that we developed this banking product IP based which is Government Business Suite (GBS) this is something that we managed to launched last year I think in May, and so far we been very successful its basically to cater the banks to able to carry out government related transactions including pensions and taxes and all that. Right?

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Ya.

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

So this is earlier version was solved Government Business Module, we have this version for many years and then considering the demand as well as the changes that were happening we decided to upgrade it or rather revamp the whole thing and the one which has been launched last year is there to take us to the present needs because until I think two years back it was only the nationalized banks that was public sector banks that were allowed to carry out for making payments for the government related matters including tax, pension and all that but that has changed in last two years were in private sector banks were also been permitted to get into business of payments for government and all that.

So we have actually been quite successful in getting private sector banks also as our customers in this last one year or so, and we are expecting this to carry on we would obviously look at upgrading and you know making sure that whatever additional features that require we would be considering that also going ahead we were also considering how we could take earlier version as well as the GBS if possible to some of the neighboring countries were they would have similar requirements, I mean that the banks would have similar requirements.

So this is something we have definitely wanted to do we are wanting to develop few more IPs products of our own which can help us sought of have an edge against competition going ahead, but this is work in progress and we are hoping that in the next couple of years we have few more of these types of IPs which will help enable us to get business from our existing as well as new customers and where we would be in a position to showcase our strengths you know competition.

Anything Else?

Mr. Murali Gopalakrishnan, Chief Financial Officer:

No Sir.

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

Thank-you

Moderator:

Dear Shareholders we have Mr. Keshav Garg connected with us.

Mr. Keshav Garg – 3rd Speaker Shareholder:

Sir I hope my voice is audible?

Moderator:

Yes sir, please proceed with your questions.

Mr. Keshav Garg – 3rd Speaker Shareholder:

Sir I wanted to understand that from your speech it seem that baring COVID we made losses in our System Integration Business only due to COVID as we couldn't travel and deliver so now that COVID is behind us Sir you think that the system integration division can break-even and Sir in the fourth quarter of last year that is march 22 quarter we did a topline of 83 crore and a EBITA of over 7 crore Sir so you think that this is a sustainable number quarterly we can do this? And Sir what is the outlook for the current year in terms of topline and bottom-line? Sir you think that we can break-even on PAT level? Sir What kind of wage hikes have you taken or are you planning to take in this Financial Year? Sir why don't we shut down our loss making subsidiaries? And Sir why, Sir I can see that predominantly our revenues are coming from India and our Export revenues are only 16% so basically why aren't we just shutting down loss our making System Integration and Warranty Business and concentrate on IT services business just like how other companies are purely into IT services and they make good amount of money? Sir Why can't we do the same and why can't our parent just outsource its work to us and why can't we do that on a cost plus basis? And Sir also wanted to understand whether our key divisions are inter related or are they are independent of each other? Sir, also Sir now the YEN has been depreciating and I understand that we have our borrowings in YEN Sir so do you think that we can gain on that repayment side and Sir since the interest rate in Japan are so low it seems that we are over paying 7.5% is like the interest rate prevalent rate in India, in japan one would expect it should be like 1 or 2% and even from the borrowings from our parent we are paying 4.5% over 6 month like or which seems too steep Sir actually parent should just give us loans at cost and Sir so basically these are some of the issues that I wanted to raise so kindly enlighten us that what are the prospects of the Company.

Thank-you very much.

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

Thank-you, Thank-you Mr.Garg in fact your questions are very pertinent and thank-you for, I will try and answer as many as possible wherever you know goes unanswered please feel free to get back to the Company Secretary and we will give you the responses on those also.

Let's go on one by one I think will start with business in India, so you have point about you know because of COVID the System Integration Business and Hardware product as well as the WMS business got impacted, yeah that is true and that's a primarily because the movement of goods and peoples were not possible and that impacted you know the especially the product business as well as in case of WMS where we have centers we have people who walk-in with the devices or disc or something and then we repair or replace all that since everything was closed we were in lockdown that was severely impacted, with regards to the numbers that you said for Jan-March and whether those numbers are sustainable so basically what actually what I understand one of the reasons for us to have better margins and all that is because of the product GBS license, sales that we are able to tally out during that period and that something has contributed directly to the bottom-line so even though the topline has been lower than may be what you would have got in the earlier years that's because the hardware business didn't happen what happens is that even when we have the hardware related revenue the margins are very low so the contributions to the bottom-line is actually not significant when it is only product or hardware sale. Your point about why don't we consider stopping doing business in the System Integration or Warranty Management Services business the point is we have been in his business for long time and it brought you know what should I say recognize in the market also because of System integration

business and in case of warranty management it's not very common service and as an IT Company I guess you would be in a position to be providing those kind of services but definitely I agree with your point at the end of the day we should be looking at which are those businesses which are profitable and contributing toward the bottom-line and therefore as Management and Board we would definitely want to look into some of the suggestion you have expressed in your speech just now. With regards to you know I think the overseas subsidiaries you said why don't we just shut those overseas subsidiaries and why can't we start on only focus on India I think we need to actually make sure that the overseas subsidiaries have enhanced for doing all business because the what should I say the margins of the profitability is higher when work is done outside of India especially developed countries like North America, Europe or Japan. Of course Japan Subsidiary we have not being doing business and being dormant for last couple of years but we would definitely actually want to grow the business coming from outside of India. So if you see the business of the software business that we do including the offshore work that we get from US it fetches us the margin which are in line with the industry but however overall margins get drag down primarily because of the business that we do in India especially the hardware product related business that we are into. So we have in fact we had started on that initiative looking at which are those businesses that are profitable and where we can have sustainable sought of profitability over a period of time. From 2018-19 we have started that process and that got you know sought of impacted in the last two years due to COVID. The loans that we are having from the parent company CAC Holdings, the ECB I am assuming you are talking about is in US Dollars and not in Japanese YEN and therefore the Japanese YEN becoming weak in the last six months or so, wouldn't impact us in a positive way at this point of time because our borrowings are in US Dollars. We do have some work coming from CAC Holdings other subsidiary companies last year we had it from Japan to CAC Corporation as well as from CAC America and we do have continuation of some of the work from the subsidiary companies and these are done between those companies and the billing is i think.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

In US Dollars, All are US Dollars

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

All are US Dollars okay, So our borrowings as well as our export revenue coming from CAC Holdings other companies is basically in Dollar terms. And what was the.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Interest Rates.

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

Interest rates yeah so again the ECB Interest rate is basically.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Based on LIBOR, to support the Indian Market rates.

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

Based on LIBOR, that has been set some time back so it is actually I mean your question about why do we pay such a high interest rate, why can't CAC Holdings just provide us the money at very low interest rate because it's in japan are so low, ideally if that was possible I am sure CAC Holdings would have wanted to consider that but regulations don't permit that we need to follow the regulations and accordingly based on whatever are the regulations at that time have about the interest rates set accordingly and you can be rest assured that the interest rate set is not very high compared to whatever the regulations says it has to be, so it has to be marginally above the whatever is the minimum as per regulation we are supposed to follow.

Have I answered. What was the other question?

So I think I have covered most of your queries in case you know yeah you have something about why don't we work on cost plus basis or something like that, I think whatever work we are doing with the

group companies basically its done at arm's length and we have reasonable margins or profits on those transactions.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Yeah that's it, covered everything, No I think its covered.

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

So I think in case I have missed out anything Mr. Garg please feel free to communicate to our Company Secretary and we will come back to you on your queries.

Moderator:

Dear Shareholders, we have completed our Q&A session, request the Chairman to take over.

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

Okay, Thank-you very much everybody for your questions and thank-you very much everybody to be patient. I would like to request the members to participate in the e-voting on the agenda items stated in the notice of the 27th AGM and would also like to request the members to cast their votes on each of the agenda items.

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

The results of the voting i.e. remote e-voting and e-voting conducted at the AGM along with Consolidated Scrutinizer's report will be placed on the Company's Notice Board and website of the Company Viz. www.inspirisys.com and also on the website of NSDL and communicated to BSE Ltd. and National Stock Exchange of India Ltd. within two working days from the closing of the AGM.

I wish to thank all the members for their presence and support and would like to announce that after casting of the votes by the members at the 27th AGM, I declare that the meeting as closed.

Thank-you very much everybody.

Mr. Murali Gopalakrishnan, Chief Financial Officer:

Thank-you.

Mr. S. Sundaramurthy, Company Secretary:

Thank-you.