

**TRANSCRIPT OF QUESS CORP LIMITED - 13<sup>TH</sup> ANNUAL GENERAL MEETING HELD AT 03.30 PM (IST) ON TUESDAY, SEPTEMBER 29, 2020 THROUGH VIDEO CONFERENCING**

**Management Participant:**

Sl. No.	Name of the Director and Key Managerial Personnel	Designation
1.	Mr. Ajit Isaac, joined over VC from Bengaluru	Chairman & Managing Director
2.	Mr. K. Suraj Moraje, joined over VC from Bengaluru	Executive Director & Group CEO
3.	Mr. Chandran Ratnaswami, joined over VC from Canada	Non-Executive Director
4.	Mr. Gopalakrishnan Soundarajan, joined over VC from Canada	Non-Executive Director
5.	Ms. Revathy Ashok, joined over VC from Bengaluru	Non-Executive Independent Director
6.	Mr. Sanjay Anandaram, joined over VC from Bengaluru	Non-Executive Independent Director
7.	Mr. K. R. Girish, joined over VC from Bengaluru	Non-Executive Independent Director
8.	Mr. Gaurav Mathur, joined over VC from Mumbai	Non-Executive Independent Director
9.	Mr. Subramanian Ramakrishnan, joined over VC from Bengaluru	Chief Financial Officer
10.	Mr. Kundan K Lal, joined over VC from Bengaluru	Company Secretary & Compliance officer

**Other Representatives:**

Sl. No	Name	Particulars
1.	Mr. Anand Subramanian, Mr. Zubin Shekary and Mr. Rajesh Oza, joined over VC from Bengaluru	M/s. Deloitte Haskins & Sells LLP Statutory Auditors
2.	Mr. S.N. Mishra, joined over VC from Bengaluru	Secretarial Auditor and Scrutinizer & Proprietor of SNM & Associates, Company Secretaries.

**Ajit Isaac:**

Good Afternoon!

Ladies and Gentlemen,

I hope all of you are safe and in good health. It is 3:30 p.m. and the time to begin the proceedings of this meeting. On behalf of the Board of Directors of your Company, I, Ajit Isaac, Chairman and Managing Director of the Company, have great pleasure in extending a warm welcome to all of

you to this 13<sup>th</sup> Annual General Meeting of Qess Corp Limited. I sincerely thank all of you for your esteemed presence and continued trust and patronage extended to the Company.

This meeting is being held through video conference in accordance with the circular issued by the Ministry of Corporate Affairs and SEBI. I would like to let you know that the proceedings of this meeting are being recorded. During the meeting, the participants would be on mute.

I hope each one of you are safe, healthy and maintaining social distancing as per the guidelines issued by the Government authorities. The Company has made all efforts feasible under the current circumstances to enable our members to participate at the meeting through the video conferencing facility and vote electronically and the members will be allowed to join on first come first serve basis.

Before I proceed further, I would like to introduce to you my colleagues joining over VC. I would request each member to raise their hand when I introduce them.

1. Mr. K. Suraj Moraje, Executive Director and Group CEO of the Company, attending this AGM from our Bangalore registered office.
2. Mr. Chandran Ratnaswami, Non-Executive Director of the Company, attending this AGM from Canada.
3. Mr. S. Gopalakrishnan, Non-Executive Director of the Company attending this AGM from Canada.
4. Mr. K. R. Girish, Independent Director of the Company and Chairman of the Audit Committee, attending this AGM from Bangalore.
5. Ms. Revathy Ashok, Independent Director of the Company and Chairperson of the NRC and CSR Committee, attending this AGM from Bangalore.
6. Mr. Sanjay Anandaram Independent Director of the Company and Chairman of the Stakeholders Relationship Committee attending this AGM from Bangalore.
7. Mr. Gaurav Mathur, Independent Director of the Company attending this AGM from Mumbai.
8. Mr. S. Ramakrishnan (Ramki), Chief Financial Officer of the Company attending this AGM from our Bangalore registered office.
9. Mr. Kundan Lal, Company Secretary of the Company attending this AGM from our Bangalore registered office.

Apart from them, we also have key executives and senior management joining from their respective locations, Mr. Anand Subramanian, Partner of M/s Deloitte Haskins & Sells LLP, Statutory Auditors of the Company, and Mr. S.N. Mishra, who is the Secretarial Auditor of the Company and Scrutinizer of the e-voting process for this AGM.

There have been a few changes in the Board since the last AGM:

Mr. Madhavan Menon ceased to be Director of the Company w.e.f 29<sup>th</sup> October, 2019 and Mr. Subrata Nag with effect from the closing of 31<sup>st</sup> March 2020. The terms of Mr. Pravir Vohra and Mr. Pratip Choudhary as the Independent Directors of the Company are expiring at the conclusion of this meeting.

On behalf of all of us, I would like to place on record our deep appreciation for the contribution made by them to your Company over the years.

Subject to the approval of the members, Mr. Suraj Moraje was appointed as Executive Director with effect from 4<sup>th</sup> November, 2020 and Group CEO from 1<sup>st</sup> April, 2020, Mr. S. Gopalakrishnan was appointed as the Non-Executive Director with effect from 1<sup>st</sup> April, 2020, Ms. Revathy Ashok and Mr. Sanjay Anandaram are proposed to be reappointed as Non-Executive Independent Directors of the Company w.e.f 29<sup>th</sup> September, 2020.

The proposals on appointment and reappointment of aforesaid Directors are part of the Agenda of this meeting. We look forward to your whole-hearted support on these proposals.

I have been informed that we have the requisite quorum present through video conference to conduct the proceedings of this meeting. The participation of members through video conference is being considered for the purpose of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

I now request Mr. Kundan, Company Secretary, to provide general instructions to the members regarding participation in this meeting.

**Kundan K Lal:**

Thanks Sir.

Good Afternoon everyone. Members may note that this AGM is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come-first-serve basis.

The Register of Directors and Key Managerial Personnel, the Register of Contracts and Arrangements, ESOP Certificate given by Statutory Auditors, have been made available electronically for inspection by the members during the AGM.

As the AGM is being held through video conference, the facility for the appointment of proxies by the members was not applicable and hence the proxy register for inspection is not available.

The Company has received requests from a few members to register them as speakers at this meeting. Accordingly, the floor will be open for these members to raise their queries. The moderator will facilitate this session once the Chairman opens the floor for questions and answers. We request speakers to be crisp and brief for the benefit of other shareholders. Members who are attending this meeting through VC today can also post their views or questions in the chat box provided.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. The remote e-voting commenced at 09.00 A.M. (IST) on Thursday, September 24, 2020 and concluded at 05.00 P.M. (IST) on Monday, September 28, 2020.

Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by Link Intime, InstaVote.

Mr. S.N. Mishra, Practicing Company Secretary was appointed as Scrutinizer to ensure the e-voting process and to submit his report on results of e-voting with respect of all resolutions contained in the AGM Notice.

In case members face any difficulty, they may reach out on the helpline numbers.

With this, I now hand over the proceedings to the Chairman. Thank you.

**Ajit Isaac:**

Thanks Kundan.

**Chairman Speech:**

Dear Shareholders,

Amidst a rather sombre mood that has enveloped the world with the spread of an unrelenting pandemic, life still needs to go on. And the best example of this, is the participation of many Quess' shareholders at the 13<sup>th</sup> AGM and a warm welcome to each of you. A new format and despite the circumstances, I look forward to this interaction and discussions that will follow.

This is a one in a generation moment for all of us. How we react to this situation, implement required changes and refocus on new realities will determine how we succeed in the future. Over the course of the next 10 to 15 minutes, I would like to highlight the key developments of the last year, and the focus areas for the year going forward.

As we begin our discussion on key developments for the year of report on your company, I am delighted to share that this year included a very important milestone for us, becoming India's largest private sector employer, with a closing headcount of 384,000. This was primarily possible due to the market leadership exhibited by our General Staffing business led by India Country Head Mr. Guruprasad and the President of our Workforce Management business Mr. Lohit Bhatia. To make this achievement more meaningful, we were also certified as a "Great Place to Work" by GPTW® Institute. This certification is recognized globally by employees and employers alike, and is considered the 'Gold Standard' in identifying and recognizing great workplace culture.

I would also place on record our thanks to the outgoing CEO Mr. Subrata Nag and highlight the smooth, successful and planned transition to Mr. Suraj Moraje, who as you are aware, joined your Company on the 1<sup>st</sup> of Nov 2019. Together we are weaving a new winning spirit across the Group and have been strengthening our values, purpose and strategy that have been foundational to our success.

In our key developments of this year in Report:

**[Corporate Actions]**

1. First, **Quess was de-merged from Thomas Cook India Limited (TCIL) and now those shares are directly held TCIL shareholders which includes its promoters, Fairfax Holdings Canada.** As a result of this, your Company's shareholder base has increased from 40,000 to 85,000 and public shareholding has increased from 28% to 45%. The TCIL Demerger process enabled Fairfax to directly realize the full value of their investment.

And similarly, Qess will gain from a direct association with a marquee and successful global investment conglomerate like Fairfax.

2. Second, your Company's focus continues towards optimizing the balance sheet by increasing cash flow and reducing debt. We have grown our OCF by 16% YoY from Rs. 202 cr in FY19 to 235 cr in FY20, with a 44% OCF to EBITDA conversion.

This continues to be an important goal for the management, which is evident from our Q1 results. We had an OCF to EBITDA conversion of 152% in Q1 and have **reduced our Gross debt by 195 cr** from 1,147 cr as on 31<sup>st</sup> March 2020, and further to 952 cr as on 30<sup>th</sup> Jun 2020.

Further, your Company has considered the **possible effects that may result from COVID-19 on the carrying amount of goodwill and intangibles**. As at 31<sup>st</sup> March 2020, the Group had 1,342 cr of Goodwill allocated across the Group's various cash-generating units. The Company performed an impairment analysis for each of its cash-generating units and considered the impact of COVID-19 and uncertainties related to the future economic situation. Consequently, the **Company impaired 506 cr of Goodwill and 133 cr of intangibles during the year ended 31 March 2020**.

3. Third, we have completed the **merger of 4 wholly-owned Indian subsidiaries**, Aravon, CenterQ, CoAchieve and Master Staffing Solutions, and closed MFX Chile during the year, **and a merger of a further 4 wholly-owned subsidiaries** have been approved by the Board.

The above will bring down the number of **Subsidiaries from 41 to 32, in line with our mission of optimizing our operating structure**.

4. Fourth, digitization is critical to us and continues to be at the core of our business. With 15 bots and 90+ interconnected apps automating business processes, our business model is now **poised for non-linear growth**.

Further, **Covid was a great test of our operational and digital readiness** wherein we were prompt to transition to a 100% work-from-home basis without any impact on business continuity. Our payroll process, compliance and customer services ran uninterrupted during this transition, which is a **testament to the success of our digital-first strategy**.

### **[Investments and Divestments]**

Further, as a part of our Platform consolidation exercise, we undertook a review of the service lines in our business portfolio and executed certain capital allocation decisions.

1. First, In Q1 FY20, we added **Allsec technologies** to our Tech platform. This acquisition provided us **international BPO exposure**, complementing Conneqt's domestic CLM business, and added **industry-leading HRO capabilities including** processing payroll for more than 1 million lives per month. This acquisition cemented our position as the 2<sup>nd</sup> largest domestic BPO player with multi-geography service capabilities.
2. Further, in Sept 2020, to strengthen our Emerging business, **Digicare**, we raised a **strategic investment from Amazon** of Rs. 51 cr in Qess. This investment is being utilized towards enhancing our service network in Digicare and to expand the range of products and services.

3. Third, to **gain absolute control over the project and its receivables**, Quess proceeded to acquire 100% of the operating JV with Trimax. Out of 240 cr project cost, we have collected close to Rs.100 cr by FY20, and intend to make further progress in collections this year.

#### [Focus for FY21]

At the start of this financial year, our planning process coincided with the Global pandemic. However, our leadership team led by Suraj Moraje and well assisted by a focused Management Committee of 8 members, drew up a plan to counter the situation. A new and refreshing spirit, a 'can-do' attitude, and our embedded set of values provided us the guide lights to act with purpose in this period.

The 5 major areas that your company focused on were the following:

1. **First, conservation of cash and the reduction of Debt.** In Q1FY20 we had a 152% OCF/EBITDA conversion, and we expect to continue the direction of its change.
2. The second is **Cost Optimization, by creating a leaner and a more future-ready organization.**
3. **Third, strengthening Digital Services** is a top priority this year.
  - Pre-pandemic, our **on-boarding of 20,000+ employees per month had become completely paperless and** we have made the entire **hire-to-retain cycle of an employee fully digitized.**
  - **Further, Simpliance**, our online compliance tool **automates, audits and enables submission of compliance actions for 70+ Acts & 1,000+ minimum wage codes.**
4. **Fourth, cross-selling** is an important strategic initiative for us, and an obvious pull due to our deep customer relationships. No other services conglomerate has such a range of **interconnected/sequential non-core services** like your company.

As of June end, out of our Top 30 clients more than 50% of our clients are availing more than one service from us and we expect to increase our wallet-share with these large customers.

5. **Emerging Businesses:** The Turnaround of our Emerging businesses, Monster and Digicare, is expected to unlock significant value to our company and shareholders.

I am happy to state that our Job Portal **Monster's profitability improvement continues** through Covid headwinds. Modularization of legacy platforms and the launch of assisted search are showing improvement in consumption metrics.

**Digicare** - our aftersales service business, now covers 75% of PIN codes in India. Since removal of lockdown the business is getting back to normal and becoming **profitable**. Even during the Covid period, we added 15 new service centers of Apple, did not lose a single customer, added 3 new clients and launched higher margin extended warranty services.

### **[Employees]**

A services company like Qess has employees at the core of it and all of this is possible due to hard work and dedication of our employees, who are pivotal in creating value for our customers and shareholders. I would like to take this opportunity to thank and congratulate the 3 lakhs plus Qessians, who were part of our journey. Any reference to our staff at Qess would be incomplete without a mention of our FTE and Associates who are working in our Facilities and Security Services business, frontline warriors in the battle against COVID-19 and have done very well in difficult circumstances.

Our Board, including our retiring Directors to whom we are very thankful – Mr. Pravir Vohra and Mr. Pratip Chaudhuri have been very inspiring and supportive of the Management. We look forward to their direction and leadership in the year ahead and would like to warmly welcome Mr. K R Girish and Mr. Gaurav Mathur who are joining our Board.

### **[Giving Back to Society]**

Lastly, we at Qess believe in giving back to society and creating a world where everyone has access to opportunities and has a right to have a better life. We strive to make this possible through interventions in education and health through our Careworks Foundation. As of 31<sup>st</sup> March 2020, we have covered 73 government schools, impacting lives of 13,800 children through our flagship School Enhancement Programme which has led to a 36% increase in enrolment in schools.

Further, during the lockdown, we have served 80,000 meals to the deserving by leveraging Qess' food services business and distributed 2 million masks and hand sanitizers to students and staff members appearing for Class 10 exams, all coordinated by our Foundation

### **[What will the initiatives lead to?]**

I want to conclude by saying that, in 2016, 4 years ago, your Company crossed 1 lakh headcount, and this year in 2020 reached 384,000, almost quadrupling our headcount in 4 years. In each of our businesses, we are on the leader board, usually among the top 3. With unmatched scale, seasoned leadership and superior digital backbone that we are building, we expect to strengthen our market leading position and at the same time continue our institution building efforts by being the preferred firm to work with for employees and customers.

Finally, I would like to reiterate that, creating value for our shareholders through predictable operating results, while achieving a 20% return on equity, remains your Company's management team's goal. We believe we are poised to consolidate the business under each platform and we are thankful to the support of the Board and Shareholders in this journey

Thank you for your time and attention and look forward to our continuing interactions.

The Reports of the Statutory and Secretarial Auditors have already been circulated to you as part of the Annual Report. The said reports do not contain any qualifications or observations in the Independent Auditors' Report, both in Standalone and in Consolidated and in the Secretarial Audit Report. Therefore, it is not necessary to read the said Reports at this meeting.

As the Notice is already circulated to all the members, I take the Notice convening this meeting as read. As the meeting is convened through VC today, resolutions have already been put to vote through e-voting and the requirement to propose and second is not applicable.

I request the Company Secretary to brief the members about the agenda items as contained in the Notice convening this AGM. We will open the floor for any questions by members thereafter.

**Kundan K Lal:**

Thanks Sir.

Dear Members, there are ten agenda items in the Notice of the AGM. Out of which first two are Ordinary Business and subsequent eight are Special Business.

**Ordinary Business:**

**Item No. 1** - Adoption of Financial Statements both Standalone and Consolidated for the financial year ended March 31, 2020 and reports thereon.

**Item No. 2** - To appoint Mr. Chandran Ratnaswami (DIN: 00109215) as a Director liable to retire by rotation.

**Special Business:**

**Item No. 3** - To appoint Mr. Krishna Suraj Moraje (DIN: 08594844) as a Director of the Company.

**Item No. 4** - To appoint Mr. Krishna Suraj Moraje (DIN: 08594844) as an Executive Director and Group Chief Executive Officer of the Company and terms of appointment.

**Item No. 5** - To appoint Mr. Gopalakrishnan Soundarajan (DIN: 05242795) as a Director of the Company.

**Item No. 6** - To appoint Mr. Gaurav Mathur (DIN: 00016492) as a Non-Executive Independent Director of the Company.

**Item No. 7** - To appoint Mr. Kalpathi Ratna Girish (DIN: 07178890) as a Non-Executive Independent Director of the Company.

**Item No. 8** - To reappoint Ms. Revathy Ashok (DIN: 00057539) as a Non-Executive Independent Director of the Company.

**Item No. 9** - To reappoint Mr. Sanjay Anandaram (DIN: 00579785) as a Non-Executive Independent Director of the Company.

**Item No. 10** - To approve the Scheme of Amalgamation with its 4 Wholly-Owned Subsidiaries.

Now, before we go live with the Q&A, here are some points to note for your convenience. Once you are invited to speak, kindly turn on your video, unmute yourself, and proceed to ask the question. Please mention your name, and the location from where you are joining. Each shareholder is requested to limit their views/questions in crisp and brief and not exceeding 3 minutes. To avoid repetition, the answers to all the questions will be provided towards the end. Once you have asked your question, you can log off and continue to watch the proceedings.

I would now invite the speakers one by one.

**Question and Answer Session:**

Now I request **Mr. Hemant Khandelwal** to unmute himself and kindly proceed with the question.

**Hemant Khandelwal:**

Sir Very Good Afternoon. This is Hemant Khandelwal from Chennai. Am I loud and clear?

**Moderator:** Yes. You may proceed.

**Hemant Khandelwal:** Very Good Afternoon Sir, Chairman and Managing Director, Mr. Ajit Isaac, Members of the Board and fellow shareholders. Namaste, I am Hemant Khandelwal, shareholder from Chennai. At the outset, I wish you all good health. I compliment the Company on the Annual General Body Meeting. I thank the Chairman for granting me this opportunity. Sir, your presentation about the outlook of the Company, details concerning the operations has been interesting. I would like to appreciate the arrangement and the presentation made for this virtual AGM and extremely grateful to the Company Secretary and his team in creating and presenting the Annual Report in detail, transparent and in an informative manner.

The COVID-19 has impacted each and every one and I believe we will all come out stronger Sir. Being a shareholder, I would like some clarifications with respect to the operations and certain developments related to our Company owned and promoted by the common promoter. What is the impact on the operation because of COVID-19?. How do you see if the Work from Home as a business practice continues, how is it going to impact our business. I would suggest to focus on Artificial Intelligence and other latest technology in our operations to improve efficiency and effectiveness in our services. It will help to enhance the service and it will give a very good experience for our customer. Sir, I just want to have a thought that being a largest employer how you frame the HR policy. It is very interesting to know that we being a largest employer, how you manage the manpower. The HR policy of your Company would be very interesting to know about, I would have a thought on that Sir. What steps the Company is taking to enhance the shareholders' value?. We support all the resolutions proposed by the Company. We are extremely happy with the Company's performance and we are also positive about the future outlook of the company under your dynamic leadership. Sir, we are very happy and satisfied with our Company's contribution through CSR activities which is a noble work. Being a largest employer, you are contributing great towards the society and the nation. I just want to thank you as it is an honor and privilege to be association with the Company like this.

Once again, I wish to thank the Chairman for this opportunity.

**Ajit Isaac:** Thank you Hemant.

**Kundan K Lal:**

Thank you for your question. We have noted the questions and the Board will answer at the end of the session.

Now, we would like to invite **Mr. Dinesh Gopaldas Bhatia**. Mr. Bhatia please unmute your mic.

**Dinesh Gopaldas Bhatia:**

I would like to congratulate you and your Team for the revenue earned during COVID-19 in the first quarter of an amount of Rs. 195 crore, which shows your hard work. Though we have earned only Rs. 1 Lakh profit, but there was no loss, which is great. I would like to ask that the Company has given in the Annual Report that it is the fourth-largest business service provider Company, so who are the first three business service provider.

Further, in our foreign business abroad, how much is the Investment, Income and Outgoing and what is the total headcount of the Company on permanent and contract basis?.

I would like to congratulate the Management for the work they are doing, the impact can be seen on the share price. Our business is a progressive one and we will do well in business despite incurring a loss in March 2020, which can be deduced from the revenue of the first quarter. Lastly, I would like to thank the Company Secretary and the secretarial team for helping me join this AGM. This shows the transparency of the Company. Further, I support all the resolutions.

**Kundan K Lal:**

Thank you Mr. Bhatia. With this, we conclude the question session from all the shareholders. Now we will answer the questions raised by both the shareholders. I would like to hand over to the Chairman.

**Ajit Isaac:**

So the first question covered four points, i.e., Impact of COVID-19 on business, how will work from home affect our work, the impact of artificial intelligence that we can have in our daily work and what the steps for enhancing shareholder value.

So, I would start by giving a few points and Mr. Suraj who is the CEO will add to this. I would like to point out that in the first quarter this year, out of 90 days, for 60 days the country was in lockdown, so it was a very different operating quarter for any Company in India. Despite that, as I enunciated in the earlier part of our discussion, we went ahead with four or five steps to ensure that we reduce our cost, make our Company more green, quickly respond to the current situation and at the same time deliver our services to our clients, as a result of which we closed at an EBDITA of 95 crores as against the same quarter of the previous year but a significantly higher cash balance in the Company because our OCF and EBDITA was a 115% as compared to One-third of that in the previous quarter of the year. We took many steps to counteract and to handle the COVID impact. I would like to touch one more point before giving it to Suraj. Our contribution to the field going forward are primarily on shareholder value. In the last two to three years we raised a significant amount of capital that we used to invest in multiple businesses. The consolidation of that and the profitability of that is our focus right now and a similar target of reaching ROE of 20%.

With this, I hand it over to Suraj.

**Suraj K Moraje:**

Thank you Ajit and Thank you for the question. Maybe the best way to do this will be by going platform by platform to talk about where this business is today. So we had announced that at the

end of Q1 and spoke to investors about the total headcount across the business goes down just under 15% vs a quarter ago. If you look platform by platform, we have three and a half platforms, i.e., Workforce Management, Operating Asset management, Global Technological Solutions and our Emerging Businesses. Let me cover these one by one.

Workforce Management has three components. The first is General Staffing. I would say for General Staffing, the second quarter has not been as good as was hoped, due to the pandemic. The economy will bounce back as we move on. The two big sectors which were most affected were Retail and BFSI. We are seeing that progressively, each month they are getting better. July was better than June, August was better than July and September so far is better than August. So the direction is positive. I think that by Q3, we should start seeing growth again.

IT staffing, the second part of Workforce Management is largely on its pre-COVID business plan. We have seen two impacts, some of our lower value, lower margin headcount has actually gone down. This was ere actually part of our pre-COVID strategy which was to drive higher margin, higher value headcount and that is actually paying off quite a lot. So by and large I would say that this business is as planned.

The third part of workforce management is Training and Skill Development. This business has been shut till the end of September because educational facilities are closed. We are progressively starting up now as the Government relaxing rules by the 21<sup>st</sup> of September. We should start seeing revenue slowly in October but it will be slower than before. Because of the new standard operating procedure, the capacity of centres will come down. The work is to figure out how fast we can ramp up.

So this was about Workforce Management.

The second platform is Operating Asset Management which itself has two main parts. One is Facilities Management and Security Services, and the second is Industrial Asset Management. Our facilities and security management is back to its pre-COVID levels in verticals such as BFSI, Healthcare and Industrial. Where we are still seeing slowness is in two areas, one is IT/ITES.

Mr. Khandelwal your next question was on Work from Home also in IT/ITES where a large part of the population are still working from home. Therefore, many large campuses have, many buildings are closed down for now, and many transportations are not working. So this continues to be low for us and we have to see when they will come back, hopefully by end of this quarter. What is important to know in IT/ITES, is the news about how many IT companies may never come back to work. So, the long term impact is yet to be seen. One of the things we are doing to make sure that if there is a long term impact on IT/ITES, we are selling across new customers as hard as we can, because we can't predict how our segment will react but we can try.

The second vertical where our facility and security business is slow is Education. Again, I have referred that Universities have shutdown. The food business in universities are therefore down. We are starting to see that some of them say they will start in October and some universities are calling students back, so by Q3 we should see them up again. So that's our Security and Facility Business.

The second part of Operating Asset Management is Industrial Assets Management business. This business by Q3 will be back to its pre-COVID level with industrial capacity coming back online, so there we will see volumes return.

The third platform Global Technology Solutions has broadly two parts. One part is our IT services which is largely North America focused. That business is also largely on pre-COVID annual operating plan, so we are just fine.

Second part of the Global Technology Solutions is the BPM and CLM business. I would say at this point is our revenues are somewhere between 85 to 90% of pre-COVID levels. Our costs are relatively higher because they are having to transport employees and implement more sanitization procedures, but we should see this bounce back once normalcy comes back.

So that's the three main platforms.

If we take the two Emerging Businesses, Monster.com was actually hit quite badly during lockdown because a lot of our customers are recruiting companies, and these recruiting companies are seeing mandates melt away at this time. We are using this time to strengthen our sale practices and strengthen our onboarding practices and improve the quality of assets. We are very hopeful that as businesses come back online Monster will do well.

Digicare was shut down during the lockdown. Q2 has been fine, in fact back to normal. We are hoping that by next month our field service volume will outstrip our in-store service volume which is a far more scalable and verifiable model. So we see that business also doing just fine. So that's approximately across the group where we are in.

The one question which you asked was the steps which we are taking to enhance shareholder value.

One of things we have done in January was we changed the pay off line of our brand from "Delivering Growth" to "Winning together". "Winning Together" has become the North Star of what we believe internally in the Company. "Winning Together" has three components: winning with our customers, winning with our people and winning with our investors.

Winning with our Customers is really around how we bring in better and better services so that we can help them to improve their productivity. We really want to shift this as we have spoken in Annual Report, and we want to shift our focus from selling people at a margin, to providing people and process and digital tools, technology and training to help our customers get more done for less money. We are also really focusing hard on doing more cross-sells, Ajit has spoken about this, and we are driving some targeted initiatives.

The second aspect is winning with our people. Here, we have launched a set of services for our people including loans, discounts and so on to help take their money further. And we are getting some good early traction on this that we want to expand on, so that when people work at Qess and are associated with Qess their money goes further. You can also see on the Google store we are piloting Qjobs right now, it's in Beta version. We are using it to source for our internal needs, and are seeing very good early traction.

And the third aspect of winning together is winning with our investors, achieving an ROE of 20%. This will inspire us to enforce more discipline around capital allocation, driving profitability, and achieving 20% operating cash flow growth year on year. We have announced that we will cut back some of our government exposure where the operating cash flow has not been satisfactory

so far. We said that we will reduce project-based work going back to services-based work because that where our strength lies. We are looking at anything that we do through the lens of achieving 20% ROE and 20% OCF growth.

So this is in summary how are we thinking about enhancing shareholder value.

**Ajit Isaac:**

Thank you, Suraj. I would also like to address Mr. Dinesh Bhatia points raised about the positioning of our Company at this time in the Global Company Business services and about increasing the Shareholder value which Suraj referred to. On the first point, business services companies are measured on three metrics: headcounts, revenue and service clients. For each of them is a different assessment of value and begin the order. We are happy to take this offline and give you some data and visibility on how each Company is tracked and positioned indeed.

But we are encouraged by the fact that you are looking at us at competing and going up the leader board internationally and thank you for following up with us.

**Kundan K Lal:**

Sir, we just received on more request from Ms. Kusumben Chauhan, one of the speakers who want to speak and have registered earlier.

Moderator, now I request you to unmute Ms. Kusumben Chauhan to ask the question.

**Kusumben Chauhan:**

Very Good Afternoon to all of you. Operator, please confirm if I am audible.

First of all, I have consent on all the resolutions as positive, this is for your information and I have for you to five questions that are data-oriented and I also want to know about the holistic perception of the Company. So just to build up more confidence and conviction, this is a data-oriented four to five questions.

The first one is "What is the average number of shares possessed by the management professionals". I know it is very difficult to pinpoint out but you can at least tell the range or approximately average. The second one is 'What is the average salary increment given to all the employees this year and that was based on what and if increments were not given than whether we have any wage cut or wage revisions, we have fired any employees or we have done the wage cut on that aspect that is the second question". The third question is "What is the increment in the salary or the remuneration given to management professionals this year and it was based on what. So whether the increment was given or any wage cut was done". The fourth question is "What is the average salary of management professionals including the Directors in a range or on an average approximately?"

And the fifth one is "Are we doing any wage cut on the number of increment given to all of our management or employees?"

For example, many Companies have fired many employees so what our Company has thought on that and if we have not fired the employees then the increment is performance-based or the

Company has done a deduction in the wages. So on that aspect what are the Company's thought. These are some data-oriented questions to know the holistic perception of the Company towards the employees and management.

The reason I have asked about the number of shares is to know that if management is investing their money in these shares then we can also invest in the Company since they are the big investors.

Thank you.

**Ajit Isaac:**

So basically there are four points in this: an average number of shares held by the management which we will not be able as we don't know how many shares individuals have brought in their individual capacity but we can inform you that there were three rounds of ESOPs in the Company aggregating to almost about 2% of the total numbers of shares of the Company. We have about 14.9 million shares in the Company so approximately 2% of that has been allocated towards the ESOP program.

The average salary in the Company: we have two sets of employees in the Company. One set of employees is known as FTES. FTES are full-time employees who work in the offices of the Company and the second one are associates who work on the client premises. So the full-time associates are about 6,000 people in the Company and the associates which were about 300 would have come down in Q1, so that's the rate of decline in the headcount that we have reported due to COVID in the Q1 results of this year

The increments are given to the management this year. This year we have not given any increment to the management. We are waiting to see the effect of the pandemic and for how long it will persist the position of cash and the relative importance of certain job vs others in the change circumstances before we decide on what would be the increment policy of the Company, so as of now it is status quo.

On the average salary of the management staff, if you distinguish between the Board of Directors and the Executive of the Company, the annual report covers the data regarding the remuneration paid to the Directors which have been revised only once since 2015 and in the year 2018, we have not revised in any time after that. For the salary of management staff, I should say that while we are competitive we would perhaps be 65<sup>th</sup> position where we compete with our competition. We do not believe in being at the top of the paid line in terms of the compensation because we also have a healthy ESOP program and we would like to combine the growth in their ESOP values which are also aligned them with growth in shareholder value as the component of their overall salary package. So that is the quick summary of the issues you raised.

**Suraj K Moraje:**

To add on to what Ajit just said, on Page 73 of the Annual Report you could see the numbers reported where the average annual increase in the remuneration of employees excluding Key Managerial Personnel ("KMP") during FY 2019-20 was 6.1% and the average increase in the remuneration of KMP was 2.0% for last year.

**Kundan K Lal:**

So with this, I now request the Chairman to proceed further as we have answered all the queries.

**Ajit Isaac:**

Thank you to all the shareholders for raising all the questions and I hope we were able to clarify all of them.

Members may note that the voting on the InstaVote platform will continue to be available for the next 15 minutes. For e-voting, please click on the Cast Your Vote tab as appearing on your screen. You will be redirected to the voting page while you continue to be part of the meeting. Therefore, members who have not cast their votes yet are requested to do so. Further, I hereby authorize the Company Secretary, to declare the results of the voting and place the results on the website of the Stock Exchange and the Company at the earliest.

Thank you all for attending the meeting and I hereby declare the proceedings as closed. We look forward to seeing you next year and your continued success to our Company.

Over to Mr. Kundan for the voting formalities.

**Kundan K Lal:**

Thank you Sir.

Dear all, we will wait for the next 15 minutes just to record the votes cast and then over the next 48 hours declare the results. Thank you for your participation. So after 15 minutes, we will conclude the meeting after the voting. Thank you for your participation and your time for attending the AGM.