

INSPIRISYS SOLUTIONS LIMITED
TRANSCRIPT OF 30TH ANNUAL GENERAL MEETING

DAY & DATE	: Friday, 27 th June 2025
TIME	: 02:00 P.M (IST)
DEEMED VENUE OF THE MEETING	: First Floor, Dowlath Towers, New Door Nos. 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai – 600 010.

02:00 P.M (IST) – Mr. Sundaramurthy, Company Secretary:

Good afternoon to all, I request Mr. Satoshi Iwanaga, Chairman to preside over the meeting,

Mr. Satoshi Iwanaga, Chairman:

Good afternoon to everyone and welcome to this 30th Annual General Meeting of Inspirisys Solutions Limited being held through Video Conferencing and Other Audio Visual Means.

May I request Mr. Sundaramurthy, Company Secretary to support in conducting the proceedings of this Annual General Meeting.

Mr. S. Sundaramurthy, Company Secretary:

Thank you, Chairman San.

Pursuant to the relaxation granted by the Ministry of Corporate Affairs and SEBI, this meeting is being held through Video Conferencing / Other Audio-Visual Means. All the shareholders have been communicated by email for their participation in this Annual General Meeting.

I would like to announce that the number of shareholders present in this meeting are 32 and 1 representation under Section 113 of the Companies Act, 2013 have been received and registered and also recorded their presence at the meeting. The requisite quorum is present for this meeting.

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.

May I request the Members to consider that the Notice convening this 30th Annual General Meeting and the Directors Report which has been sent to the Members electronically as read.

Now, I request Mr. Satoshi Iwanaga, Chairman to address the shareholders.

Mr. Satoshi Iwanaga, Chairman:

Dear Shareholders, A very well warm welcome to each of you at to the 30th Annual General Meeting of the Company which we are conducting virtually. I sincerely thank all you for taking the time to attend the meeting.

I would also like to extend a warm welcome to the Board of Directors and take this opportunity to introduce my fellow Directors of the Company who have joined the Annual General Meeting.

- Mr. Murali Gopalakrishnan, Executive Director & CEO,
- Mr. Toru Horiuchi, Non-Executive / Non-Independent Director,
- Mr. Rajesh R. Muni, Independent Director
- Mr. M S Jagan, Independent Director, and
- Mrs. Cauvery Dharmaraj, Independent Director.

This meeting is also being attended by Mr. Balaji Ramanujam, Chief Financial Officer, Mr. S. Sundaramurthy, Company Secretary as well as representatives of our Statutory Auditors and Secretarial Auditor.

I would also like to acknowledge the presence of the Chairperson of various committees of the Board of Directors.

- Audit Committee Chairman - Mr. Rajesh R. Muni
- Nomination and Remuneration Committee Chairperson - Mrs. Cauvery Dharmaraj
- Stakeholders Relationship Committee and CSR Committee Chairman - Mr. M S Jagan

Allow me to present a brief overview of the company's performance for the fiscal year financial year 2024-25.

Consolidated Revenue for the year ended March 31st 2025 stood at Rupees 39,759 Lakhs, reflecting a 20% decrease compared to revenue achieved the previous year. On standalone basis, Revenue for the year ended 31st of March, 2025 was Rupees 38,793 Lakhs, a 19% decline from revenue reported for the previous year.

Despite drop in Revenue, the Company recorded an improvement in Consolidated EBITDA which increased to Rupees 3,725 Lakhs for the financial year 2024-2025 from Rupees 3,559 Lakhs in the previous financial year. This was primarily driven by improved margins expansion in India along with the containment of losses in the Dubai subsidiary which has since been liquidated.

Thank you once again for your continued support and trust.

Now, I will now like to request Mr. Murali, Executive Director & Chief Executive Officer to address the shareholders and give them the details on the Company's performance during the year along with the future plans.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you, Chairman.

Dear Shareholders,

On behalf of the Board of Directors, I extend a very warm welcome to you to this 30th Annual General Meeting of your company. On June 08th this year, Inspirisys turned 30 and so here we are in the 30th AGM of the Company. A major milestone for the Company 30 remarkable years of Inspirisys. Three decades of innovation, progress, persistence's, collaboration and partnership, a journey of delivering value, earning trust and standing resilient through change.

Today's meeting is being held virtually for the 06th year in a row and thank you all for taking time out to attend this AGM.

The Annual Report including the Audited Financial Statements for the financial year ended March 31st, 2025, along with the Directors' Report, Auditors Report and Notes to the financials statement have already been circulated to you. With your kind permission, we shall take these documents as read.

Let me now share with you the key business performance highlights of the company for the financial year ended March 31st, 2025 and our plans for the future.

Consolidated Revenue for the year ended 31st March 2025, stood at Rs.39,759 Lakhs which is a decrease of 20% on a Revenue of Rs.49,422 Lakhs achieved for March 31, 2024. Revenue on a Standalone basis for the year ended 31st March 2025, stood at Rs.38,793 Lakhs which again is a decrease of 19% from the Revenue of Rs.48,150 Lakhs reported for the previous year.

Despite drop in Revenue, the Company recorded an improvement in Consolidated EBITDA which increased to Rs.3,725 Lakhs for the financial year 2024-25 from Rs.3,559 Lakhs in financial year 2023-24. This was primarily driven by improved margins in India along with the containment of losses in the Dubai subsidiary which has since been liquidated. However, on a standalone basis EBITDA stood at Rs.3,383 Lakhs for the year ended 31st March 2025, compared to Rs.3,863 Lakhs for the previous year.

Lower revenue has primarily come from the Infra Products and Banking Business segments within India. The Indian market was sluggish at the beginning of the fiscal year 2024-25 with the announcement of the general elections in the country and the consequent presenting of the Financial Budget by the newly elected Government at the centre. This caused delay in closure of projects as the Company's focus is on PSU / Government verticals and Banks for the Infra Products and banking business. The US market also continued to be sluggish and a revival is hoped in 2025-2026.

The Management Discussion and Analysis is given in detail in the Annual Report and which is already with you. I would like to touch upon a few key areas from the same.

Let me start with the Global Economic Overview

Marked by cautious optimism, 2024 unfolded against a backdrop of persistent geopolitical tensions, divergent regional performances and evolving monetary and fiscal policies. Despite these headwinds, the global economy demonstrated relative stability, with growth holding firm through unevenly distributed across markets.

According to the International Monetary Fund World Economic Outlook released in January 2025, global growth is projected at 3.3% for both 2025 and 2026, marginally lower than the pre-pandemic average of 3.7%. Central banks in both advanced and emerging markets continued to adjust interest rates to counter post pandemic inflationary pressures. These interventions contributed to a projected decline in headline inflation to 4.2% in 2025 and is expected further to be at 3.5% by 2026.

A significant positive trend during the year has been the sustained rise in technology spending. According to Gartner, global IT spending is projected to grow by 9.8% in 2025, reaching USD 5.61 trillion. Organisations worldwide are prioritising investments in cloud infrastructure, AI driven automation, cybersecurity and digital experience platforms, signalling a strategic shift from tactical cost management to long-term digital transformation.

Now Moving on to the Indian Economy

In India, General Elections in early 2024 were marked by cautious policy making and

moderated policy public spending as the government prioritised fiscal discipline.

Amid global uncertainties, India has emerged as the fastest-growing major economy, cementing its role as a central pillar of global growth. The International Monetary Fund has revised its forecast, projecting India's real GDP growth at 7% for 2024, while the World Bank estimates a growth rate of 6.7% for 2025 - both well above the global average.

Key economic indicators support this positive outlook. India's Manufacturing Purchasing Managers Index rose to 58.1 in March 2025, the fastest pace in eight months, driven by robust domestic demand and rising production volumes. The services sector also demonstrated solid performance, playing a vital role in GDP growth.

The financial sector remains stable, with a positive outlook from major credit rating agencies. Significant strides have also been made in building physical and digital infrastructure. To sustain this momentum and realise the vision of 'Viksit Bharat 2047', the focus must increasingly shift towards strengthening cybersecurity, expanding 5G networks and advancing digital literacy.

In conclusion, India's economic outlook remains robust and forward-looking.

Now Let me touch upon the IT Industry Outlook & Overview

According to Gartner, worldwide IT spending is projected to reach USD 5.61 trillion in 2025, marking a 9.8% increase from USD 5.11 trillion in 2024. This growth is primarily driven by strong investments in software and IT services, as organisations prioritise digital transformation initiatives to enhance operational agility and customer engagement.

The Software and IT Services segments are experiencing robust expansion, underpinned by surging demand for cloud technologies and AI-driven solutions. Investment in data centres infrastructure remains solid, supporting the surge in data generation and the need for efficient processing capabilities.

In the Indian context, IT spending is projected to grow by 11.1% in 2025, rising from USD 145.4 billion in 2024 to USD 161.5 billion. Within this trend, software spending is expected to grow by 16.9% to USD 17.9 billion, while IT services are anticipated to expand by 11.2% to USD 30.1 billion. These figures highlight the strength of India's digital infrastructure and the increasing reliance on cloud automation and next-generation platforms across both public and private sectors. The rising demand for AI capabilities is reshaping business models and strategic priorities, particularly around customer experience and intelligent automation.

I would like, I would like to talk about Opportunities and Threats

Your company is strategically positioned to enable organisations to achieve operational agility, technological resilience and scalable growth. The Company's capabilities span Infrastructure Solutions, Cloud Enablement, Enterprise Security, Banking Solutions and Product Engineering & Development, providing targeted, outcome-driven solutions aligned with evolving business needs. Inspirisys continues to serve key industries including BFSI, Telecom, Government/ PSUs, Manufacturing and Healthcare, where the demand for modernisation and cost-efficient innovation remains strong.

As businesses increasingly adopt cloud-native platforms, AI-infused applications and zero-trust security architectures, Inspirisys offerings are well aligned with these emerging priorities. However, the industry landscape is becoming increasingly competitive. Global technology service providers and digital-native entrants are driving rapid innovation, particularly in artificial intelligence, machine learning, edge computing and platform reengineering platform

engineering. This is reshaping client expectations, with faster delivery, modular services and integrated support becoming baseline requirements. To maintain competitiveness, Inspirisys continues to invest in building engineering depth, strengthening cybersecurity leadership and expanding next-generation service capabilities.

Modernisation remains a core pillar of the Company's growth strategy. Inspirisys develops scalable, secure and agile solutions that address real-world business challenges. Whether through cloud migrations, intelligent AI-infused banking systems or advanced endpoint protection, the Company leverages deep domain expertise combined with digital fluency to deliver measurable business outcomes. Inspirisys remains committed to driving long-term value creation through purposeful innovation and customer-centric transformation.

I will now talk more specific on the Business Units. Will start with IT Infrastructure, Cloud and Security Business

While global IT infrastructure trends continue to evolve, India stands out for its accelerated digital adoption growing demand for AI-ready infrastructure and a sharp focus on operational resilience. Organisations are increasingly adopting hybrid and multi-cloud environments, favouring service providers capable of seamless orchestration, compute flexibility and storage optimization.

In India, the infrastructure landscape mirrors these global trends with accelerated investment in next-generation platforms. According to Gartner, spending on data centre systems in India is projected to reach USD 4.7 billion in 2025 - a 11.3% increase over the previous year, driven by rising enterprise demand for infrastructure that supports AI workloads and high-performance computing.

The Indian government's "India AI Mission" further reinforces this momentum, positioning the country as a strategic hub for digital innovation and compute infrastructure. As national and enterprise IT strategies evolve, investments are increasingly directed towards AI enablement, secure multi-cloud adoption and future-ready IT architectures.

As enterprises accelerate their digital transformation journeys, Inspirisys is aligning its infrastructure services to deliver future-ready, secure and scalable solutions. The cybersecurity domain, in particular, is expected to witness significant growth in 2025, fuelled by widespread hyper-digitisation across industries. While this hyper-connected environment offers operational gains, it also expands the attack surface for cyber threats. From endpoint vulnerabilities and ransomware to sophisticated phishing and insider risks, businesses are increasingly exposed to multi-vector cyberattacks.

To address these evolving risks, Inspirisys is embedding proactive, business-aligned cybersecurity frameworks into its infrastructure offerings. By leveraging advanced threat detection tools, skilled cybersecurity talent and strategic partnerships, the Company aims to deliver integrated infrastructure and security solutions that support resilient information transformation.

Moving on to Banking Business Unit

As digital adoption accelerates, core banking platforms are evolving beyond traditional transactions processing to offer a broader range of services. Financial institutions are increasingly embracing AI, data analytics and cloud-native infrastructure to optimise performance across branches, channels and customer tech points.

India's financial services sector reflects these global trends with even greater intensity. The country's FinTech market, already among the world's top three, is projected to reach USD 550

billion by 2030, growing at a CAGR of 30.55%. Your company aligns closely with these industry shifts through its focused and future-ready Banking Solutions portfolio. Structured around key pillars, Core Banking Solutions which is under Finacle and Government Business Suite, the Company continues to play a vital role in supporting the digital evolution of the Indian banking sector.

To remain agile amid ongoing industry transformation, Inspirisys has established a Strategic Innovations team, focused on identifying emerging opportunities and providing structured support to financial institutions in their transformation journeys. Key priorities includes scaling digital operations, strengthening operations resilience and navigating evolving regulatory and risk landscapes.

Aligned with this vision, the Company is developing modular, scalable solutions that enhance institutional agility, support digital maturity and address complex requirements. These strategic investments reinforce your company's position as a long-term technology partner for next-generation banking.

Moving on to Product Engineering and Development Business unit

The global Product Engineering Services (PES) market is witnessing accelerated growth. The digital product engineering services segment is forecast to grow at a 10.4% CAGR. A key enabler of this transformation is the strategic integration of technologies such as Artificial Intelligence and Machine Learning into core product development processes.

However, India's IT sector faces emerging challenges. Rising tariffs, particularly in key markets such as the United States, are expected to fuel inflationary pressures, affect deal cycles, delay project execution and dampen revenue growth. J.P. Morgan has flagged an elevated U.S. recession risk and heightened uncertainty in decision making, suggesting fiscal 2026 could be challenging for Indian IT firms. Export revenues are expected to exceed USD 200 billion, while the domestic technology market is projected to expand by 7%, reaching 58.2 billion, USD.

Against this backdrop, the Company's Product Engineering and Development business unit plays a pivotal role in enabling enterprise digital transformation. The comprehensive service portfolio spans Cloud Services, Data Science, DevOps, Robotic Process Automation, Artificial Intelligence, Machine Learning, Analytics and Testing & Test Automation, designed to help enterprises modernise their products, enhance performance and respond swiftly to market dynamics.

By aligning its capabilities with global technology trends and emerging client needs, Inspirisys supports organisations in enhancing operational efficiency, accelerating innovation and delivering intelligent, future-ready solutions.

Now will spend a few minutes on Human Resource Management

The business environment continues to evolve rapidly, placing greater demands on organisations to build adaptable, resilient workforces. At Inspirisys, we organise that human resources must play a central role in strengthening operational readiness and enabling sustainable growth.

The Company will place strategic emphasis on five focus areas: leadership and manager development, organisational culture, workforce planning, change management and HR technology. These priorities will guide the HR roadmap, with a sharper focus on deepening technical capabilities, improving talent acquisition quality and strengthening employee engagement to retain high-performing talent.

Inspirisys will prioritise structured technical training and cross-functional learning programmes. These initiatives will build multi-domain expertise across critical areas such as cloud, cybersecurity, data engineering and AI, equipping employees to transition seamlessly as technology and business needs evolve.

The Company will continue to drive employee retention by investing in leadership development, career growth frameworks and targeted engagement initiatives.

Inspirisys remains firmly committed to maintaining a safe, respectful and inclusive workplace. Further the HR strategy will focus on strengthening technical capability, enhancing operational agility and driving employee engagement to meet evolving business demands. These efforts will directly support growth, delivery excellence and organisational resilience to in a competitive Indian IT services environment.

Moving on to the Focus areas of the Company

Your company continues to prioritise high-value, high margin service offerings within India, while strategically expanding its offshore business footprint. Recognising the need for sustained investment, the Company is working closely with customers to identify new opportunities in emerging areas of digital transformation, targeting both private enterprises and public sector undertakings.

With technology innovation such as a core focus, Inspirisys is investing in Artificial Intelligence and Machine Learning, recognising these as key enablers of future growth. These investments, combined with deep domain expertise, enable the Company to deliver scalable, intelligent solutions tailored to the evolving needs of business across industries.

In parallel, the company has strengthened its Infrastructure Services portfolio, acknowledging the foundational role robust IT infrastructure plays in digital transformation, from cloud computing and network security to data management and enterprise-grade infrastructure, the Company provides comprehensive solutions that enable business agility and resilience. Given the growth threat landscape, cybersecurity capabilities and deeply integrated into infrastructure offerings, covering advanced threat detection, endpoint security and threat intelligence services to safeguard client digital assets.

In the banking domain, your company has built strong domain expertise by partnering with financial institutions on transformative initiatives. From scalable infrastructure modernisation solutions to cyber security and enabling digital transformation through software solutions for banks, the Company serves as a trusted enabler of secure, compliant and future-ready banking operations.

Supporting these growth initiatives, the Company achieved CMMI Level 5 certification reflecting its ongoing focus on process excellence and operational optimisation.

As we look ahead, our commitment remains strong—to deliver exceptional value to our clients. We will continue to invest in emerging technologies, develop innovative solutions, and foster a culture that encourages collaboration and forward thinking. Our aim is to remain a trusted partner, consistently meeting customer needs and exceeding expectations to deliver a truly positive experience.

Our strategic focus continues to be:

- Increasing the share of our services business in India
- Expanding our exports and overseas operations

- Driving cross-selling across divisions and geographies
- Developing niche products and services

These initiatives are aimed at strengthening our market position and improving the Company's profitability in the years ahead.

As a socially responsible corporate citizen, we are proud to have launched a collaborative CSR program on educational assistance creating an Endowment Mode to support B Tech Students and Diploma level students in Data Science in partnership with IIT Madras. This program benefits a total of 10 students offering them enhanced learning opportunities and essential resources.

In conclusion, on behalf of the Board and the Management, I extend our heartfelt thanks to all our shareholders for your continued trust and support. I would also like to express my sincere appreciation to the Board Members, the leadership team, and every employee of the Company for their dedication and commitment.

We are equally grateful to our customers, partners, bankers, and other stakeholders for their continued confidence in us. A special word of thanks to our Statutory Auditors, Internal Auditors, and Secretarial Auditor for their valuable support.

Lastly, I would like to acknowledge CAC Holdings Corporation for their ongoing financial and strategic support, which continues to be instrumental in the Company's progress. We deeply appreciate their partnership.

With this I would like to conclude my speech. Thank you very much for your patience.

I would like to hand over to Mr. Sundaramurthy to continue conducting other matters at this Annual General Meeting

Mr. S. Sundaramurthy, Company Secretary:

Thank you, Mr. Murali Gopalakrishnan san.

I would like to inform the members that the Company provided Remote e-voting facilities to all the shareholders, which ended at 05:00 P.M yesterday June 26, 2025. Members who have not voted through 'remote e-voting', the facility for voting electronically is provided at this Annual General Meeting. This facility is for all the shareholders who have not voted through remote e-voting. They will be able to vote here. I would also like to inform the members that show of hands is not permissible at this Annual General Meeting.

I wish to inform the shareholders that the Board of Directors has appointed Mr. M. Alagar, Managing Partner (Membership No. F7488 and CoP No. 8196) of M/s. Alagar & Associates LLP formerly known as M. Alagar and Associates, Practicing Company Secretaries, Chennai as the Scrutinizer to scrutinize the voting process (both remote e-voting and e-voting process at the Annual General Meeting), for the resolutions included in the Notice of the 30th Annual General Meeting.

Notice of the 30th Annual General Meeting of the Company contains 03 items for transaction. Out of the 03 items, 02 items are Ordinary Business and 01 item is Special Business.

There is no requirement to propose or second the resolutions as they have been put to vote through:

Ordinary Business:-

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March 2025, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Murali Gopalakrishnan, (DIN No.: 08066529) who retires by rotation and being eligible offers himself for re-appointment

Special Business: -

3. Appointment of Secretarial Auditors M/s. S Dhanapal & Associates LLP, Practicing Company Secretary (Firm Reg. No. L2023TN014200) for a term of 5 years.

Now, I would 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 2025 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 Annual General Meeting.

All shareholders who have registered as speaker shareholders are requested to give their name and folio/DP-ID 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 co-operation in advance

Now Q&A session,

Now, I request the moderator to conduct the QA session, during this Q&A session, as each speaker shareholder raises their questions, I would like to invite Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer, to respond to the queries one by one. After all speakers have finished speaking,

Moderator:

Thank you, Sir,

Dear Shareholders,

We will now proceed to the Q & A Session. Questions will be taken in the order in which speaker shareholders have registered. We kindly request Members to state their name, DP ID and Client ID for verification purposes and to keep their questions brief and to the point.

We have our First registered Speaker Shareholder Mr. Abhishek connected with us.

You may kindly proceed with the questions sir.,

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer

Is he joined?

Mr. Abhishek, Speaker Shareholder:

First of all, I congratulate the management on the Eve of Annual General body Meeting, so, trust All is Well with you and your family, in this happening situation a Company deserves much more respect than the product Market Cap after completing more than a decade of successful operations, profitability and becoming one of the strongest products in the respective segment.

Sir, I would like to know as of date how many employees are there in the Company sir? And I would request the management to buy the and take care of the hospitality part of the investor fraternity and also enlighten us on the upcoming projects in our Company, which are going to come-up in the near future and sir, I would like to know what are the steps being taken by the management to improve EPS key ratio and ROE, I would like to know from you sir and nothing much to ask sir, the Company is doing really good. And, the only grievance of the Investor is that share price should appreciate and shareholder should be rewarded with better dividend and hope that the management should take all our questions in the right spirits and reward the investor fraternity in good numbers in the years to come. So then, since the AGM has been conducted in VC mode for past 5 years, the shareholders are not able to meet you or greet you, so, kindly give us an appointment to meet you and greet you sir and also try to conduct hybrid AGM in the years to come sir, as more number of shareholders can join in the meeting give the valuable points, suggestion and ideas that would be helpful for the management to empower in future. So, nothing much to ask sir, 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 sir and hope to see you in the hybrid AGM next year.

Thank you very much sir!

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much Mr. Abhishek wonderful to hear you and I think you have already shared with us a long list of questions that we have with us in front of us, what we will do is I think couple of them we can probably address them by this short time and we will share with you our response by an email, Sundaramurthy San, will send across my responses to those questions of you which already send to us. Yeah, with respect to the employees count, we are at eighteen hundred employees and plus. Eighteen hundred or nineteen hundred?

Nineteen Hundred and plus, there will be some here and there, I mean some, few numbers which are... I mean there will an attrition on month-to-month basis we are nineteen hundred and plus employees on an average we are talking about, largely on the Infra side, which is where most part of the business is also coming both Infra products as well as Business. We have also teams based of ODC centres in Kerala which is in Trivandrum, cochin and Chennai, which are the ODC centres that we operate. So, apart from that we also have banking business unit which is based up in Chennai, where close to about two hundred and fifty employees working. So, that's the total strength which is nineteen hundred plus which we are talking about. And to address some of your other questions. What are new innovations and new product launches did after April 1 and what's the response so far? I think they have been working on a few modules, specific modules under GBM and GBS product that we already own and these are coming out of requirements which are come from the Banks as well as RBI to those products have already been modules that we launched is part of the GMS framework itself and those are additional modules are developed and launched.

We are working on very specific compliance requirements for the banking vertical I mean can be neutral for other industry verticals also which will be launching very soon. So, with that I think there will be more products that we are planning in the next year, also in terms of developing and deploying them with banking sector because that's one sector where we been

operational for last two decades and we have good foothold in those customer accounts. Almost 24 of banks in India are using our product which is GBS, so we should and therefore we have good relationship going with most of these banks.

With respect to other questions that you have post in terms of what are the management efforts to improve Working Capital to Sales ratio, ROCE, Net debt and EBITDA multiple, OPM, Debtor days and Interest coverage ratio? I think all the ratio are been given out in the Annual Report also in page number 99 & 63 and you may refer that, however just to give a brief I will ask CFO who is beside me, to give you some of this information right away to you.

Yeah, Balaji over to you.

Mr. Balaji Ramanujam, Chief Financial Officer:

Hi Abhishek, the Key ratio are given in page 30 in the Annual Report, under the Management and Analysis Session. Okay So, the Current Ratio - ISL has improved the Current Ratio from 1.30 times to 1.73 times this year. Working Capital to Sales Ratio 18.73% Vs 15.20% in last year. ROCE from 0.27 to 0.20 this due to lower profit compared to last year of standalone financials. Operating profit margin improved from 8% to 9% this year. The Debt is almost Nil. The Debtor days is reduced to 78 days from 104 days compared to last year due to better collections and Interest Coverage Ratio is 5.32 times Vs 4.65 times in last year.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thanks Balaji, Mr. Abhishek the other questions that you have touched upon even during your speech now is about the dividend part of it, so, what is the policy related to dividend in our company as most of the senior citizens only depend on that?

Well, I would like to say that, the Company has reported a profit for the financial year 2024-25, around the retained earnings remain negative. So, accordingly the Board has not recommended any dividend for the year ended 31st March 2025. The management remains focused on strengthening profitability in the future based on the financial performance and available reserves. And, we certainly taken to consideration as and when we come out of negative retained earnings and look at dividend being declared in the future. So, the rest of the questions that we have got we will share with you the responses by an email you have also asked for current top 300 shareholders list which will also be emailed to you by our Company Secretary, yeah.

Mr. Abhishek, Speaker Shareholder:

Yes sir, yes sir, Certainly I received that, thank you, thank you very much sir, thank you for your reply and your chairman speech was also very much enlightening to investor fraternity.

Thank you very much sir.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much, Thank you. Bye. Thank you.

Mr. S. Sundaramurthy, Company Secretary:

Thank you, Bye.

Moderator:

Next, we have our Second speaker shareholder, Mr. Keshav Garg, who has joined the session.

Sir, you may kindly proceed with your question sir.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Is he joined?

Mr. S. Sundaramurthy, Company Secretary:

Yeah, yeah.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Mr. Keshav Garg, Good afternoon to you, this is Murali here, the CEO of the Company. Are you able to hear me? You're on mute sir! Can unmute him?

Moderator:

Sir

Mr. Keshav Garg, Speaker Shareholder:

Yes sir, Sir I was unmuted earlier.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Okay, Okay.

Mr. Keshav Garg, Speaker Shareholder:

Sir, I have sent my list of questions.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

We have already got the list of questions, what we do is, we will fine address some of them at this part of time. And we will also share detailed email response for these questions that you have raised. I would like to address some of these things with respect to the market share of the Company across all the segments, our portfolio of offerings to the market covers - Infrastructure Products, Infrastructure Services, Banking Solutions, Management Services, Warranty Management Services and Product Engineering, each of these segments addresses distinct customer needs and operates in a different competitive landscape. Given this nature, assigning an overall market share percentage across these segments is not straightforward.

So, that said, in Infrastructure Products and Services supported by our strong OEM partnerships, we have a meaningful presence, particularly in the BFSI and Government PSU space. In Banking Solutions, our offerings give us a solid foothold across most public sector banks and several private banks. As I mentioned in the previous Shareholders responses to the questions almost 24 banks in India are utilizing, using our product, which is Government business suite for transacting on the collections of taxes which are happening for the government both direct and indirect taxes and customs duty. If I may share this information basically almost about 40% of the government taxes are routed through our product in the Country, that is something which is very prestigious for us to also talk about in terms how we positioned our product in the banking sector. Product Engineering and WMS remain niche,

but promising areas, where our focus is on building capability and pursuing selective opportunities. The target in terms of the business mix, is basically to grow services business, current year it has grown to almost 78%, however that is because the product business did not do well, we currently continue to have both product as well as suggestions from the infra side, we would like to improve on the services, business which is having better margins with bottom line of the profitability is also better looking at from the investor perspective.

In terms of when can we expect to see recovery in Infra products and banking business in India?

The past year saw subdued demand in our Infrastructure Products and Banking businesses due to project delays and cautious tech spending. On the Infrastructure Products side, the shortfall was largely driven by the General Elections and the resulting code of conduct, which delayed project finalisations and budget releases until the new government assumed office. With market conditions now stabilising, we expect a turnaround in this business. Our focus is on proactively aligning with OEMs to gain access to their enterprise clientele, which will help us secure more stable and consistent business.

On the Banking Unit, we had anticipated additional revenue from the sale of GBS licences last year which again did not materialise because there been delays in the decision from these customers. We have not lost these projects we are continuing to peruse them because of various reasons from banks have actually postponed their decision to go in for those product for the current year hopefully we will be able to close very much as well. With respect to the other questions including the financial part of it I will ask Balaji who is the CFO to address including the steady, EBITA part of it and the expected margins and all that.

Mr. Balaji Ramanujam, Chief Financial Officer:

Yeah, okay, so, you asked questions about the steady state EBITDA margin? And What is the margin differentials across segments?

So, the EBITDA Margin for the current year is 9% which is higher than last year margin of 8%. The segmental information on consolidated basis is available in pages 157 and 158 of the Annual Report.

So, the next question is what are expected margin improvements over the next 2-3 years?

We anticipate a gradual, sustainable margin improvement trend driven by richer product and service mix, better execution and operational efficiency.

While we are not expecting any immediate leaps, our target is a steady expansion, with operating margins reaching 8-10% over this period.

So, your next question is Why has subcontracting increased in FY25?

Subcontracting and outsourcing costs increased due to higher infra services revenue in the OEM B2B segment compared to Last year.

And, your next questions is Why did income from sale of goods reduce to 86 Cr in FY25 compared to 207 Cr in FY24?

Last year in the product segment we got revenue from a large contract from a public sector bank further for the financial year 2024-25 started up very sluggish in the country was also going through general election business explained by CEO in his speech.

And you asked another question is, what is the intended use of new building leased?

The existing lease which is non-cancellable has been renewed for a further period and the renewals were classified as additions as per IND AS 116.

And your next question is What could be the proceeds from liquidation of Dubai business?

We have received Rs.50 lacs which is the closing bank balance on account of liquidation of the Dubai operations.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Okay, I think we will probably share the detailed responses to these questions by an email to you followed by after this meeting

Mr. Keshav Garg, Speaker Shareholder:

Yes sir,

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much for coming online and posing those questions. Thank you, Mr. Keshav, anything further that you have?

Mr. Keshav Garg, Speaker Shareholder:

Yes sir, Sir! Just one question I have based on, being a product company sir, when we compare us to a competitor in either BFSI or Infra-products that, these companies sir, these companies where 20% margins on their product business and even on the services part business margin, so, where are we lacking and sir why we considering of mixture of product and services margin target is only 10% and what is required for us to increase the dealings to 20% level. Sir, on the revenue front sir, I understand that last year was low due to elections and delist pending by government and banking because of various reason but sir, going forward what is the revenue growth can expect based on the product action we are seeing on ground and where do we see a business head if, I look at Inspirisys, on a two to three years basis so, what kind of revenue and margin growth can been seen, what kind of product adoption can we expect and how should that reflect in our top line and bottom line?

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Yeah, Mr. Keshav, I think first of all we will probably let's ignore that we are not giving any revenue guidance at this point of time. Never have you given in the past and we don't expect any revenue guidance to be given in the future as well at this point of time. However, with respect to the growth in terms of the products, Infra-products and services, we expect the market to which is already showing some signs because we see a good healthy pipeline that has been built on the product side which so helping us to close some of these project deals over the next few months and hopefully this current year would be better off compared to last year on the infra products. On the info services, I think why we do infra products is basically we have a hold of the customer as we go on to the infra services part of the business, which will help us to actually bid for those projects on a better state where we have a complete control of the products that have been supplied to the customer so, which is why, we actually look at a comprehensive thing and some of these customers look at providing the projects on a product plus services side over a period of three years to five years. So, it comes as an attached services along with the product deal at the time when the RFP is released by these banks as well as PSU government bodies.

So, which is why we are working on both these things but eventually what happens with the attack services again working with OEM's the margins with the OEM related, back-to-back related margins are, are very, very low compared to our own services of which we could actually generate better margins, which is why the overall margins remain very, very low at this point of time. We are trying to see how we can improve our services business to focus on more professional work and also take on additional services related business from the OEM's which will help us to improve the gross margins from the services business which will eventually turn out to be better on the operating margins as well. So, but that is a focus area which is what I had also mentioned in my speech that we want to improve on the services business in India so, which is what we are focused about.
Yeah, Hope that answers your questions and

Mr. Keshav Garg, Speaker Shareholder:

yeah, sure, sure. It partially answers my question. But Sir, if I look at Inspirisys on a 10-year basis, Sir, our revenue has been in the 400 to 500 crore range and we haven't been able to scale up post that. So, I'm trying to understand what will it require either internally or externally for us to move past this 500-crore revenue range and keep on growing towards a higher level? So why are we? Where are we lacking and where can we see this growth to happen?

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

So essentially it all boils down to whether you want to be profitable or not so let's not look at only the top line growth, we have to look at the bottom line also. If you're looking at only the top line growth, there are many companies who bid for these projects which are having less than 1% or even negative margins that they are looking at and I don't know the logic and how they can really build for such projects when they go in for a negative margins, which is something which we have very clearly started, I mean, very clearly communicated to the entire sales team, that, we will not look at these kind of margins to be brought in because that will really impact the bottom line for us and the shareholders as well. Which is why we are saying that we will not be looking at growth of only top line, but we want to look at growing the top line with better bottom line. So, which is what is been the communication across the country, across the company here.

Ok. I think we need to give time for the other shareholders also. If we can probably share across the response to your questions by an e-mail, that would be helpful. Thank you keshav. Thank you so much for joining and asking those questions. Thank you.

Moderator:

Next, I invite Mr. Bimal Kumar Agarwal, the registered speaker shareholder, to present his question. You may kindly proceed your question, Sir.

Mr. Bimal Kumar Agarwal, Speaker Shareholder:

Hello, can you hear me?

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Yes, Sir. Good afternoon to you, Mr. Bimal Kumar Agarwal.

Mr. Bimal Kumar Agarwal, Speaker Shareholder:

Thank you, Good Afternoon to you and Good Evening, Good night and Good Morning to other shareholders who have joined from different parts of the world. Sir, you should have given, that the last answers of all the speakers that's better because we have to wait for it,

and I got two, three, take what is the attrition rate of our employees? and please provide impact into the impacts of AI on a Company business. Does the management expect increase in business revenue due to AI? Please provide Management strategy to address AI opportunity. That's all for me. Thank you very much. And always continue with video conference so people from all over the world can join. That's all, thank you very much and please consider shareholder get the token of appreciation, thanks.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Ok, Sir, thank you very much. So, I will let you know on the attrition part of it. In terms of the workforce movements are voluntary attrition stands at 19.6% which is close to about industry average and involuntary attrition is only about 3.5%. On the hiring front, we have added about 631 employees over the last financial year across all businesses and functions primarily to refill the positions where employees had resigned so, it is more towards a refilling of the existing employees who are resigned and gone and the refilling of them that's about 19.6% is the attrition.

To answer your second question on the AI related thing, I've already addressed quite a bit of this during my speech. Certainly, we are looking at improving or increasing the Intra-products related revenue also growth coming from AI related products to be sold because all these OEMs who we work with be it Oracle, HP or Dell or IBM. They all have come out with the AI related products which are there, which is being proposed by us depending on the customer requirements and provided to them. So that's something which we are quite aggressively pursuing with the customers.

On the AI front, in terms of our own product development, we have been started to utilize the AI source for developing our internal requirements including process efficiency and other things to be brought in for our own products which we are using. Secondly, for the products which we are marketed in the product, in the market, we are looking at utilizing the AI to look at enhancing those products in terms of adding AI features to those products which will help the customers in the future, which is what we are pursuing at this point of time. Any new product development which we are looking at on the banking side is also going to be using AI very extensively for development which will help us to reduce the go to market in terms of product development of those products very quickly because AI is really giving you a much lower in terms of the efforts that are required to develop any products which are there required to be uploaded in the market. So that is the kind of information that I have for you on the AI related technology that we have been pursuing in Inspirisys.

Hope that clarifies to you Mr. Bima Kumar Agarwal.

Mr. Bimal Kumar Agarwal, Speaker Shareholder:

Okay, thank you.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much for joining us. Thank you, sir.

Mr. S. Sundaramurthy, Company Secretary:

Any other speaker shareholder.

Moderator:

Next, I invite Mr. Prakash Chand Galada, the registered speaker shareholder to present this question. You may kindly proceed with your question, Sir.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Hello, Mr. Prakash Chand Galada, good afternoon to you.

Mr. S. Sundaramurthy, Company Secretary:

You can proceed with your question

Mr. Prakash Chand Galada, Speaker Shareholder:

Hello.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Yes, Sir. Please, Sir. Please tell me, Sir.

Mr. Prakash Chand Galada, Speaker Shareholder:

Yes sir, can I go ahead? Good afternoon.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Good afternoon, Sir.

Mr. Prakash Chand Galada, Speaker Shareholder:

Good afternoon, Sir. This is a Hybrid meeting would have been better. Those who are in the same city can join as well as the internationally people can join. So that is one of the special requests, we'll have a personal interaction if possible and personal touch will be there with your board of Directors and other things. And I'm not able to see my face. Is that available then fine, otherwise no problem.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

You need to switch on your video; you need to switch on your video for yourself to be available on the screen.

Mr. Prakash Chand Galada, Speaker Shareholder:

Let me try. If you can wait for a second, let me see.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

We can wait, Sir. We would also like to see you.

Mr. Prakash Chand Galada, Speaker Shareholder:

Yes, it has come, Sir.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Yes, Sir. Yes, Sir. We can see you, sir.

Mr. Prakash Chand Galada, Speaker Shareholder:

Right, so now I've just said Chennai is very hot today. You are also in Chennai, if I'm right?

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Yes, Sir, we are in Chennai, sir. We are headquartered in Chennai. So, our corporate office is in Chennai.

Mr. Prakash Chand Galada, Speaker Shareholder:

Yes, because you must be having various people from different, different cities of directors or other things. Ok, so the board is here, maybe it's also good and it is better to not to do it at the end of the month when there are too many meetings. That is the suggestion.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Ok.

Mr. Prakash Chand Galada, Speaker Shareholder:

31st week to 20 days is a fantastic time, Thursday to Friday anyway. Then, coming to the growth, if you have explained, I'm sorry I joined a little late, so it must be doing well. All the best to the Board as well as anything which we can invest further. We can have a personal interaction if possible so that we can increase our holdings. Instead of calling people who are not even investing into analyst book going to Bombay all the way. Chennai is also a good place to have an analyst meeting if you have any possibility try with maybe 20 people only, not more than that you will get good response, I suppose. So, please do take my opinion and. Go ahead,

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Noted it Sir. We have noted that but we will see because we generally do not give any kind of guidelines on the revenue part of it because generally what happens when the analysts come, they look at what is the guideline and what are the kind of probability that they are looking at. So that is going to be a challenge as we move on. So, let's see the appropriate time if they are able to meet up. We could also meet up with you one-on-one if you are in Chennai.

Mr. Prakash Chand Galada, Speaker Shareholder:

Ok, need to. I'm in Chennai only. Then incidentally, our share of major businesses is in India or from international?

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Mostly from India, sir. Almost about 70% of our businesses is from India and 30% is from, I mean I wouldn't say entirely 30% is from outside of India, but we have 70% of the business, 70 to 80% of the business is in India.

Mr. Prakash Chand Galada, Speaker Shareholder:

So probably there is no fear or there is no possibility, I mean this thing to worry about the international money market going up and down.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Not really. Not really at this point of time because essentially our outside of India, the market is also focused only in the US where we have already got a very strong relationship going with a few customers. So, we are working with them and hopefully that will only grow is what we expect.

Mr. Prakash Chand Galada, Speaker Shareholder:

There is a change in the name of the company. What is the old name? for my recollection.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Accel Frontline Limited. We have changed the name in September of 2018.

Mr. Prakash Chand Galada, Speaker Shareholder:

Yeah, right, Sir. Thank you for calling.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much, Sir. Thank you for joining us and asking those questions. A wonderful meeting you. Thank you very much. Take care.

Mr. Mr. Prakash Chand Galada, Speaker Shareholder

Right.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Bye sir.

Moderator:

With this, all registered speaker shareholders have concluded with their questions. I hereby request the Company Secretary to proceed.

Mr. S. Sundaramurthy, Company Secretary:

Thank you, moderator, the results of voting i.e. remote e-voting and e-voting conducted at the Annual General Meeting along with Consolidated Scrutinizer's Report will be placed on the Company's Notice Board and website of the Company, 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 this Annual General Meeting.

Now, I request the Chairman Mr. Satoshi Iwanaga to provide the closing remarks to thank everyone.

Over to you

Mr. Satoshi Iwanaga, Chairman:

I wish to thank all the members for their presence and support and I would like to announce that after casting of the votes by the members.. by the members at this 30th Annual Meeting, Annual General Meeting, I declare that the meeting is closed, thank you.

Mr. S. Sundaramurthy, Company Secretary:

Thank you.

Mr. Murali Gopalakrishnan, Executive Director & Chief Executive Officer:

Thank you very much, thank you all the Board members, all the other participants and Auditors, Law firm, all of you, Thank you very much.

Mr. Balaji Ramanujam, Chief Financial Officer:

Thank you.

Mr. M. S. Jagan, Independent Director:

Thank you.

Mr. Satoshi Iwanaga, Chairman:

Thank you.

Law firm:

Thank you sir, Thank you

Internal Auditor:

Thank you all.