



“Mphasis Limited 29th Annual General Meeting held through  
Video Conference”

**Date: July 23, 2020**

Time: 9:00 am



**MANAGEMENT:**    **MR. DAVINDER SINGH BRAR – CHAIRMAN OF THE BOARD AND  
SHAREHOLDER RELATIONSHIP COMMITTEE, INDEPENDENT  
DIRECTOR**  
**MR. NITIN RAKESH – CHIEF EXECUTIVE OFFICER AND  
EXECUTIVE DIRECTOR**  
**MR. NARAYANAN KUMAR – CHAIRMAN, OF THE AUDIT  
COMMITTEE, INDEPENDENT DIRECTOR**  
**MS. JAN KATHLEEN HIER – CHAIRPERSON OF THE NOMINATION  
AND REMUNERATION COMMITTEE, INDEPENDENT DIRECTOR**  
**MR. AMIT DIXIT – NON-EXECUTIVE, NON INDEPENDENT  
DIRECTOR**  
**MR. AMIT DALMIA – NON-EXECUTIVE, NON INDEPENDENT  
DIRECTOR**  
**MR. DAVID LAWRENCE JOHNSON – NON-EXECUTIVE, NON  
INDEPENDENT DIRECTOR**  
**MR. PAUL JAMES UPCHURCH – NON-EXECUTIVE, NON  
INDEPENDENT DIRECTOR**  
**MR. MARSHALL LUX – NON-EXECUTIVE, NON INDEPENDENT  
DIRECTOR**

**Moderator:** Good morning ladies and gentlemen. We will now commence the 29<sup>th</sup> Annual General Meeting of Mphasis Limited over vide conferencing. For smooth conduct of the meeting, all the lines of the shareholders will be on mute. The audio and video of the speaker shareholders will be enabled once they are invited to speak at the AGM by the Chairman. The proceedings of the AGM are being recorded and will be hosted on the website of the Company after the AGM. Without any delay, I hand over to Mr. Davinder Singh Brar – Chairman of the Board of Directors, Mphasis Limited, for conducting the AGM proceedings. Over to you, sir.

**Davinder Singh Brar:** Good morning, ladies and gentlemen. I welcome you all to the 29<sup>th</sup> Annual General Meeting conducted virtually, the quorum has been checked and is found to be in order and we will now commence the proceedings. With your permission, I would like to take the notice, convening this AGM as read. The members may please be informed that the statutory registers of register of Directors and key managerial personnel and their shareholding, register of contracts or arrangements in which Directors are interested, register of proxy, statutory auditor's report, and secretarial audit reports and certificate as required under SEBI Regulations 2014 received from the Statutory Auditors of the Company, which are required to be placed at the AGM are available for inspection at the NSDL website under the tab, AGM documents.

I would now like to introduce that Directors present virtually for the meeting. We have Mr. Nitin Rakesh – Chief Executive Officer and Executive Director, Mr. Narayanan Kumar – Chairman of the Audit Committee; Ms. Jan Kathleen Hier – Chairperson of the Nomination and Remuneration Committee. Mr. Amit Dixit, Mr. Amit Dalmia, Mr. David Lawrence Johnson, Mr. Paul James Upchurch and Mr. Marshall Lux present at the meeting. I am Davinder Singh Brar – the Chairman of the Board and the Stakeholders Relationship Committee.

I record that the authorized representatives of the Statutory Auditors, Secretarial Auditor, and the Scrutinizer are also virtually present in this meeting. I also record that all feasible planning and execution has been done for enabling electronic participation and voting of the members for this AGM. It is confirmed that the electronic voting is available throughout the AGM.

I would now like to share with you the performance highlights of the Company for the Financial Year 2020 and also the developments in our digital and technology transformation initiatives.

I am delighted to welcome you all to this AGM of your Company. It may be a different setting than what we are normally used to. However, it is wonderful to see so many of you joining in from different parts of India and from other countries as well. Thank you for joining us.

All of us have felt the impact that COVID-19 has created across the world. The pandemic forced businesses to go remote in days, acting as a change agent, the biggest accelerant to the digital trend and an opportunity for companies to step-up and help enterprises take that leap. Within the Company, we started the business continuity planning process well ahead of the crisis, keeping

in mind the safety and security of our employees, and the need for greater customer centricity. Since we made the bold decision two years ago, to adopt an agile organization design, the change has not been as dramatic for us, as it may have been for other companies. In fact, we managed to go remote with 95% coverage to our overall global operations by March end due to a rapid response and significant interventions were possible.

Given that the core business of the Company is providing technology solutions to global enterprises, we had in the past few years, made strategic investments in next generation technologies with our unique customer centric front-to-back digital transformation methodology, anticipating the needs of a future-ready business. New emerging technologies were changing the way businesses operate, and we were helping organizations reflect the scene in their IT infrastructure by leveraging a cloud-first, cognitive-first hybrid approach. This foresight and the resulting pivot have primed the Company to leverage the opportunities in the COVID disruption, unearth new areas of engagement and make significant gains.

Going forward, there are certain trends that are likely to be secular tailwinds for our business such as the digital workplace, digital commerce in all industries, cyber security, automation; and most importantly, the ability to apply this transformation to traditional business models. The Company is focused on strengthening its position through this period of uncertainty by staying close to our clients and enabling them to accelerate their digital transformation journey during these challenging times.

Let me now talk about a few highlights of the year gone by:

The continued trust of our clients in the Company is reflected in the annual growth numbers. In financial year 2020, the Company consolidated gross revenue grew by 12.8% on reported basis, and 11.7% in constant currency. This year, the Company recorded the highest ever PCB wins in direct international business, worth US\$715 million, of which 81% was in new generation services. The earning per share of the Company, a key growth indicator, grew at 13.4% for the year to Rs. 63.60. The Company expects to grow faster than the industry average in the fiscal year 2021, as the clients in banking and financial services spend more on technology to shift operations, away from offices to the cloud, further accelerated by the COVID pandemic.

As an example, the Company signed a multi-year deal to provide cloud infrastructure services to the Ardonagh Group, UK's largest independent insurance broker. We also work with RBS to deliver advanced transformation to the testing services through its testing center for excellence. The collaboration will see Mphasis co-invest and co-create speed-to-market solution.

Few other strategic updates to share:

The US Patent Office has approved the patent for Mphasis' solution Deep insights, titled, System and Method for Optimizing Aggregation and analysis of data across multiple data sources. In addition, the European Patent Office has granted Mphasis a patent for Infragraf, titled, an

Adaptive System and a Method for Application Error Prediction and Management. The Company, through its Sparkle innovation program has curated and built an innovation partner ecosystem with a database of over 750 relevant startups globally and has relationships with the world's leading academic and industrial research organizations. Sparkle is launching Mphasis ALTA, focused on creating industry specific innovation programs, starting with global payments at trade markets by leveraging the Company's own innovation system within the payments and the blockchain areas, and helping build out the supporting partner ecosystem .

The Company, along with its Stelligent division, was successfully certified on Amazon Web Services(AWS) as an APN Premier Consulting Partner. The APN Premier Consulting Partner designation recognizes the top APN Consulting Partners globally that have distinguished themselves by investing significantly in their AWS practice. Companies that have gained this status have demonstrated deep expertise in delivering customer solutions on AWS helping multiple customers develop, secure, migrate and run their applications on AWS.

This year Mphasis was recognized by 72 analyst reports. HFS Research recognized Mphasis at the 'IT Industry's Hidden Gem' calling Mphasis a great turnaround story. HFS lauds our strategy of bringing T back into IT and acknowledges rise of Mphasis in the HFS' top-10 studies. We ranked sixth in the top-10 banking and financial services sector service providers for 2019 and were mentioned in a digital front-office report. Mphasis also ranked second among top IT service challengers in the Everest Group PEAK Matrix, Service Provider of the Year 2020.

These initiatives, and more that are in progress, signal concerted strategic moves by the Company to invest, participate and grow in new generation technologies and services, while continuing to optimize its core business.

In Corporate Social Responsibility, CSR, the Company's philanthropic activities are governed by the CSR Committee of the Board, which approves the CSR budget and monitors its implementation as per the CSR policy of the Company. The Company has directed its CSR spend towards creating lasting social impact, which has been outlined in the annual report. Mphasis F1 Foundation, a philanthropic arm of the Company invests in the area of education inclusion and livelihood through non-profit and social enterprises. During FY '20, Mphasis F1 Foundation has continued to support innovative programs that work towards the inclusive development of society.

At the core of its CSR strategy, the Company endeavors to bring about social change by applying the power of technology and disruptive solutions. The Company has undertaken around 20 programs across three focus areas over the year. Last year, during the AGM, we had announced a partnership with International Institute of Information Technology, Bangalore, and the inauguration of a first of its kind Centre of Excellence for cognitive computing. This Centre of Excellence aims to leverage cognitive computing technology to solve problems related to education, enterprises and accessibility as well as co-create open source IP assets on applied research with relevance to societal and enterprise challenges.

I am happy to report that through the course of the year, the projects that were identified by the Centre of Excellence have moved into the prototype stage with initial success. Of the three projects, the first one titled Sign Language Synthesis, allows hearing impaired individuals to access spoken media. The prototype developed converts spoken English into Indian sign language, and displays the results through animation, thereby removing dependence on human interpreters. The second prototype developed is a Precision Learning Portal that entails the use of Big Data techniques to identify expertise and knowledge gaps in communities and organizations and mediate appropriate. The third prototype developed is a web based data mining application that provides open source toolkit for data analysis without deep domain knowledge.

The Company has entered a partnership with Foundation for Innovation and Social Entrepreneurship to support incubation of startups working on assisted technologies for persons with disabilities. Through this initiative, then social enterprises working on such technologies will be provided with required acceleration support. This includes go-to-market design for manufacturing and funding support. Mphasis has also partnered with Uber Technologies in November 2017 to launch Mphasis UberAccess and Mphasis UberAssist, an initiative that provides accessible public transportation services for persons with disabilities in Bengaluru, India. Since its launch, Uber Access has completed over 17,000 trips, and has served around 4,500 rider trips. With learnings from the Bengaluru operations, the Company plans to support the UberAccess program launch in the city of Mumbai.

During these unprecedented times of COVID-19, the Company has been actively contributing support to vulnerable groups and communities. Mphasis enabled infrastructure set up off the COVID help desk, Apathmitra, for the government of Karnataka in record time. We supported over 150 medical professionals working across shifts who respond to calls that come to the 104 COVID helpline. Through employee contributions, Mphasis has raised more than Rs. 23 lakhs towards the MP Cares fund. This amount will be matched to Mphasis' CSR funds as well. The Company has also authorized the use of UberAccess cabs for relevant applications related to COVID in the city of Bangalore. Some of the immediate relief activities include support to ASSOCHAM for a meal initiative for staff and health workers at Safdarjung Hospital, Delhi, to cover the cost for 10,000 meals across 10 days. In another partnership with Magic Bus India, Mphasis is supporting distribution of provisions and essential kits to 576 households in underprivileged communities.

Financial year 2020 was a year of continued growth. And I am sure this will happen through financial year 2021 and beyond. In the current contactless era, that is unlikely to change anytime soon, Mphasis' latest offerings will help firms ensure business continuity through infrastructural support and security. Furthermore, it will drive seamless and secure collaboration among teams during this time of crisis and in the future. Despite global challenges, we witness strong performance that created great value for all stakeholders.

In summary, the Company recorded the highest ever TCF wins in direct international business with US\$715 million. 81% of the TCB wins were in new generation services. Net profit grew

10.4% year-on-year to INR 11,848 million. Earnings per share of the Company grew at 13.4% for the year, to Rs. 63.60. You will be happy to know that the Board of Directors have recommended a final dividend of Rs. 35 per equity share for the financial year ended 31st March, 2020, subject to your approval at this meeting.

In the years ahead, I am positive that Mphasis will continue to scale, transform and stay ahead of the technology advancements as an applied technology Company, driven by cloud and cognitive technologies. I believe we are in a competitive position with a sound strategy, a solid business and with a great team. We are focused on our path forward and committed to enhancing shareholder return.

I would like to thank our customers, the leadership team, and all our employees for their commitment efforts and initiatives. We also thank each one of you for your continued support. Mphasis is a Company with a heritage. I wish all of us the very best as we carry out our individual responsibilities in building future success together Thank you, everyone. Please stay safe and healthy. And hopefully this time next year we will be able to meet in person. Thank you.

I now request Mr. Subramanian Narayan, Company Secretary, to read the Auditors' Report and brief the members on the voting process to be followed at the meeting.

**Subramanian Narayan:** Thank you sir.

There are no qualifications, observations, or comments in the Auditors' reports which are required to be read at the meeting. With the permission of the members present, I take the Auditors' Report as read.

As per the law, the Company has provided electronic voting by means of remote e-voting. As AGM is held virtually, the option for physical voting at the AGM is not provided this time. However, the Company has enabled e-voting facility during the AGM for members who have not voted through remote e-voting and who are present at the AGM and are otherwise not barred from doing so. The icon for e-voting is available on top of the screen under e-voting tab, which will re-direct the members to the e-voting platform of the NSDL. The e-voting facility would close after 15 minutes from conclusion of this AGM.

There will be no proposing and seconding of the resolutions as the meeting is held virtually.

The shareholders who have registered themselves as speaker shareholders will be allowed to speak and such registered speaker shareholders may participate in the discussion on the items of business once the discussion is invited by the Chairman. The queries shall be answered after all the allowed speaker shareholders have raised their questions.

I now request the Chairman to resume the proceedings. Over to you, sir.

**Davinder Singh Brar:** We will now take up the resolutions as set forth in the notice. We will open the lines for questions from the shareholders after all the resolutions are tabled at the meeting.

Item number one of the notice is to receive, consider and adopt the audited financial statements for the financial year ended 31st March 2020. The financial statements have already been provided to you.

Item number two of the notes is to approve declaration of dividend on the equity shares. The Board has recommended a dividend of Rs. 35 per equity share of Rs. 10 each.

Item number three of the notice is to reelect Mr. David Lawrence Johnson, who retires by rotation and seeks reappointment.

Item number four of the notice is to reelect Mr. Amit Dalmia who retires by rotation and seeks reappointment.

Item number five of the notice is in relation to reappointment of Ms. Jan Kathleen Hier as an Independent Director by means of a Special Resolution.

Item number six and seven of the notice relate to approval for amendments to employee stock option plan 2016 by means of Special Resolutions. The text of the Special Resolutions along with explanatory statements are provided in the notice circulated to the members. May I request the members to treat the resolutions as read.

I now allow to invite the speaker shareholders to raise questions that they may have on the items of the business of the meeting. I request the members to confine their queries strictly to the items of the business of the meeting. I request the moderator of the meeting to enable the speaker shareholders in the order of their registration. In the interest of time, I request the speaker shareholders to restrict their questions and/or views and observations to a maximum of three minutes.

I will now hand over the proceedings to the moderator to allow the speaker shareholders to raise their queries.

**Moderator:** Thank you so much, sir. We will now begin the question and answer session. We have the first question from Ravi Kumar Naredi. DPID client ID is IN-30198-3102-73990. You may go ahead.

**Ravi Kumar Naredi:** Respected Chairman, MD and eminent Board of Directors, employees of Company and fellow shareholders, myself Ravi Naredi from Bhilwara, Rajasthan. Sir, this system you are using for AGM, I feel best ever when I use it in AGM, I can well understand how the management is investor friendly. Sir, we have a goodwill amount of Rs. 2,140 crores, are we going to write-off this amount over that period of time? Sir, we are having good amount of liquidity in this tough COVID time, can we acquire some companies as you might find them cheap? So, when good times come to you, our Company can benefit from this acquisition. What is our long-term plan

for next three years' timeframe, sir? Thank you to give me an opportunity to speak. I wish all the best to Company and all. Thank you.

**Moderator:** Thank you so much, sir. We have the next question Santosh Kumar Saraf. DPID client ID 12067-800000-18019. Over to you, sir.

**Santosh Kumar Saraf:** Respected Chairman, MD and eminent Board of Directors, employees of Company and fellow shareholders, I am Santosh Kumar Saraf, from Kolkata. Sir, I would like to thank all the members of the Company for such a good result. Last year we were in a very tough situation, despite that you have given such a good result, plus a dividend of Rs. 35 is very appreciable that gives us 3.58 recurring yield.

Next, your equity's 18.71x and since 2005 you haven't given a bonus issue, since our present Chairman DS Brar has come, we haven't got any bonus share. So, is there any planning of giving bonus? And if not, then is there any planning for a buyback, I would like to know.

On page 56, in the current investment you have given details that you have invested in mutual funds. But in which plans, it has not been mentioned, whether direct plans or regular plans. Then, have you donated any amount in PM Cares Fund? And if yes, then how much? And whether have you donated any amount to a political party via Electoral Bonds? Next, on page 97 you have written, business responsibility, which has been uploaded on the website. Sir, I tried it many times but I could not download it, so I would request to provide it with balance sheet from next year. And I would also like to know how many permanent employees do we have?

Secondly, want to share my observation. As per the Companies Act 2013, you are required to mention DIN number everywhere, wherever reporting is done. But it is only mentioned on page 147, in corporate governance report, on rest of the pages it is not given. I think it may be considered as breach of law, request you to take care of it from next year. Then, during the current pandemic situation, almost all the IT companies have given work from home facility to the employees as we have to maintain and adhere to social distancing norms. So, this is expected to be the same for months, so would like to know that for the non-critical staff like clerical staff can they be given work from home facility? And many companies fall into special economic zones, so can you take any approvals from the government for the same?

Next, we had some disputes pending on page 152. So, government has launched two schemes, Vivad se Vishwas and Sabka Vishwas, can these disputes be settled through these schemes? Lastly, would like to know the expenses that we had incurred for the last physical meeting that you have done and also what is the expenses for the video conferencing held today? And sir, whenever the next physical meetings are held, would request to conduct a video meeting as well simultaneously. This will be very helpful for shareholders like us staying in small corners of India to get in touch with us. Jai Bharat. Jai Hind. Thank you.



**Moderator:** Thank you so much, sir. We have the next question from Dipankar with DPID client ID 12047-20009-417188. So, we do not have Dipanker connected with us now, we will move to the next question. We have the next question from Mr. Jaichand. You may go ahead. Sir, we have no further questions. With this, I hand it over to the Chairman again. Over to you, sir.

**Davinder Singh Brar:** Okay. So, the first question was regarding the goodwill impairment and whether the amount of Rs. 2,140 crores over a period of time the Company will write-off? Well, the management has done an internal assessment of the goodwill amount, which has also been vetted by the Auditors, and we see no reason as of now for any of this amount to be written-off, either now or over a period of time.

The next suggestion was to look at an acquisition given the liquidity position in the Company. We are constantly evaluating various options, especially in the context of our digital transformation journey. We look at companies which can add capabilities and new competencies to the Company. So, there is a regular process within the system to evaluate dozens of companies and organizations for possible acquisition. But it takes time, and as a result, we have a good candidate, the management will bring it to the board for a possible acquisition.

The other questions pertain to buyback and bonus. I think we have already undertaken two buybacks. And as of now, we do not have any plan to either issue a buyback and bonus, but we will be evaluating it in the context of the Company's performance and the position going forward.

On page 56, you asked about the mutual funds, they are all in the direct plan.

On the business responsibility report, we uploaded it. I am sorry that you had difficulties in accessing this. So going forward, next year, we will consider providing a reference of the BRR link in the email communication to the shareholders which will help you access it better.

Regarding the employees, we have permanent employee spend of about 18,865, and female employees constitute 31.5%, 5,946 is the number of female employees in the Company. And the employees with disabilities are about 0.4%, 73 in number.

You mentioned about the Directors not signing with the DIN number. The Company has referred to the DIN number of the respective Directors where the information about the Directors is being disclosed. It is not required statutorily in the signature portfolios. So that's why we don't find it there. But where required, the Company has provided the DIN of the Directors.

Next question was regarding the work from home in this pandemic, and maybe getting permission from the government to accord appropriate status for work from home employees in the context of the Shops and Establishments Act. I think this is an evolving situation. Many companies have coped with the present situation by working from home. But to what percentage critical or non-critical employees will eventually work from home is yet to be determined.

The length financial COVID pandemic is uncertain. And as of now, we are continuing to operate the way we have. But this may not be the long-term eventual solution. The government and the tax authorities have also to accord appropriate approvals or provisions to treating work from home as working from an office establishment. So I think it's an evolving situation. Some companies have made announcements that they will go to X or Y percentage eventually work from home, but we have not yet taken a decision because the situation is fluid. As and when I think this stabilizes, we will have our own policy, which the management will frame and we will share it with you.

Regarding the tax settlement, Vivad se Vishwas and Sabka Vishwas schemes. We have taken cognizance of this and we have filed for three disputes for resolution under the Vivad se Vishwas scheme, and for four disputes towards the reservation under this scheme under Sabka Vishwas scheme.

Then there was a question on the cost of the annual report. I think last year, we had printed 13,000 copies of the annual report and it cost us approximately Rs. 11 lakhs. This year, we have printed only 500 copies of the annual report, and due to the size limitation, it has cost us about Rs. 2 lakhs. So, maybe per copy cost looks Rs. 4,000 high, but it's because of the size and the number of limitations. So, the two costs are not comparable.

I think that answers most of the questions that were raised by the shareholders. If there is any other question somebody wants to raise, we would be happy to take that question.

**Moderator:**

Sir, there are no other questions.

**Davinder Singh Brar:**

Okay. So, I think all the shareholder queries have been now answered. And if there are still any queries from the shareholders, you can write to [29.agm@mphasis.com](mailto:29.agm@mphasis.com) which will be responded to you by the management.

This concludes the business of the day. I take this opportunity to thank all the shareholders present for their kind attention, cooperation and valuable support and time. The combined results of the votes cast through remote e-voting and e-voting during the AGM on all the resolutions would be uploaded on the Company's website and will be intimated to the stock exchanges as per the SEBI listing regulations by tomorrow.

I wish the shareholders all the very best. Good health and staying safe in the current environment. I wish that we together with the rest of the world get over this pandemic swiftly and hope to meet you in-person at the next available opportunity. I now declare the meeting as closed. Thank you.

\*\*\*