



## Transcript of 29<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> July 2021.

*Please note that the transcript has been edited for the purpose of clarity and accuracy.*

**Aman Mourya:** Hi Moderator, how many members are there in counting?

**Moderator:** Total members in Counting is 86 as of now.

**Aman Mourya:** The requisite quorum is present in the meeting. Good morning members. I am Aman Mourya, Company Secretary. Welcome you all to the 29<sup>th</sup> annual general meeting of your company, which is being held through video conferencing in accordance with the circulars issued by the Ministry of Corporate affairs and SEBI. The Registered Office of the Company at New Delhi is the deemed venue of this annual general meeting. Mr. Diwakar Nigam, Chairman & Managing Director of the Company shall act as a Chairman of the meeting. All the members of the Board are present in the meeting including Mr. Kaushik Datta, the Chairman of the Audit Committee, Mr. S R Iyer, Chairman of Nomination & Stakeholders Committee, as required to be present in the Annual General Meeting under the Companies Act. Mr. Arun Kumar Gupta, Chief Financial Officer of the Company, respective representative of Statutory Auditors, BSR & Associates LLP, Secretarial Auditors, Aijaz & Associates and Scrutinizer, Sanjay Grover & Associates are also present in the meeting. All the Registers and other certificates/ documents as required by law are open for inspection during continuance of this meeting at the website of the Company. I hereby request the Chairman to call the meeting to order and address the members. Chairman sir.

**Mr. Diwakar Nigam:** Thank you Aman. Dear members, the past financial year has been a year of caution, introspection, transformation, and hope for all of us. The year was an unprecedented one that provided long-lasting learnings and taught new ways of existence. During COVID-19, organizations globally geared up to adapt to the new normal. Digital workplaces and working-from-anywhere became a necessity for enterprises across industries, which are now expediting their digital transformation journeys. Newgen, with its scalable and reliable digital transformation platforms, resilient business model, and agile development and implementation approach, is ideally positioned to enable enterprises and make a positive impact in today's environment. We witnessed a resilient performance during the fiscal year 2020-21, clocking in revenues of Rs. 673 crores. We continued to witness business momentum with expanded customer engagements and an addition of 67 new logos under our umbrella. We are happy to share that the US is now our largest revenue contributor and one of the fastest expanding markets for us, growing at 16% YoY.

During the year, the Company has also adopted a strategic approach to cost management and cash flow optimization. We reported an EBITDA of Rs. 192 crores and a Profit after Tax of Rs.



127 crores. We are optimizing our execution capabilities, while continuing with long-term investments in R&D and sales. Our subscription revenues witnessed a growth of 19% during the year. Our overall annuity revenues remained consistent, contributing 57% to the revenues. We continue on our path to transition from our existing model of new license revenues and Annual Technical Services to subscription-based revenues with most of our new customers. Even for our existing customers, wherever possible we are building additional annuity-based revenue. This model is expected to start revenue optimisation over the next few years.

We are making aggressive investments in enhancing visibility and brand awareness in the international markets through various initiatives including Digital events, analyst and consultant engagements and enhancing our digital presence and digital outreach. In our constant endeavour to help organizations expedite their digital transformation efficiently and effectively, I would like to thank our teams, customers, vendors, and all the other stakeholders for their continued support. I would also like to thank our existing and new investors for their confidence and faith in Newgen's business and team. We will keep working towards furthering the best interests of all our stakeholders. I am also pleased to inform you that considering the Company's Financial performance, the Board of Directors of your Company has proposed to declare a Dividend of Rs. 3.5/- per equity share i.e. 35% for the Financial Year 2020-21.

**Aman Mourya:** Since, there are no qualifications or adverse remarks in the respective auditors' reports. Hence the Auditor's Reports are not required to be read at the meeting. The Notice of the Meeting, and annual report as already sent to the members are taken as read. The Notice of the AGM contains 4 items for approval of the shareholders through e-voting. As the meeting is convened through VC- Instapoll today, resolutions have already been put to vote through remote e-voting and the requirement to propose and second is not applicable. The members who have not voted on the resolutions through e-voting are eligible to cast their votes in the Annual General Meeting. For this purpose, the Company has appointed Mr. Sanjay Grover & Associates to act as the scrutinizer, who are also available in the meeting. The results will be declared after receiving of Scrutinizer report at the earliest within 48 hours after the meeting. The results will also be available on website of the Company. We now take up the resolutions as set forth in the Notice. The business as specified in the Notice of the AGM are:

Item no.1: To receive, consider and adopt the audited standalone and consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2021 and the Reports of the Board of Directors and Auditors thereon.



Item no. 2: To declare a Dividend of Rs. 3.5/- per Equity Share having Face value of Rs. 10/- each of the Company for the Financial Year ended 31<sup>st</sup> March 2021.

Item no.3: To appoint a director in place of Mr. T.S. Varadarajan (DIN: 00263115), who retires by rotation and being eligible, offers himself for re-appointment.

Item no.4: To appoint Statutory Auditors of the Company and fix their remuneration

The Company has received one advanced query as stated in the notice of the AGM, and the same shall be replied, accordingly, post AGM. As of now we have a speaker session. We request speakers to limit their speeches to 2-3 minutes for the benefit of other shareholders. Other may also invited to express their views, if they have any, in the chat box provided. The chairman or the board or the CFO, as required, may respond to all the questions at the end of the meeting. Now, I would request moderator to allow the speaker one by one to express their views.

**Moderator:** Yes

**Moderator:** Now I request Mr. Yashpal Chopra from Delhi. Please switch on your video and unmute yourself and speak.

**Mr. Yashpal Chopra:** Hello. Hello,

**Moderator:** Go ahead. You are audible sir Please go ahead.

**Mr. Yashpal Chopra:** I am Yashpal Chopra calling from Delhi I am the original shareholder of the Company since allotment. I was a person who was just with the Company even the broker conference. So, I would feel myself ungrateful if I do not compliment such a dynamic management who have shown is such a fantastic results that from that bottom of 175 that Company has just shown the market prices 750. And market price is the barometer that is a of the strength of the Company of the strength of the project of the strength of the management. So sir, in such a short time, our company has just made a rapid progress. And I'm very very much sure that in the coming time It won't take much time even in overtaking HCL tech and other companies also because yeah, but I feel that their policy of in governing the running the company that is excellent. And then and that must be having a strategy like that of meeting integrity, those management who just give him more most importance to the integrity, they are, they're always ahead of all that, they are definitely gaining the good reputation in the market. And the second, my code is key in transparency, that means that the management, which is there, which believes integrity, that doesn't get always believe in the fair deals, and the transparency is, so, there is a very big, big fundamental factor for the



company. And also the last election cycle is C means concern, concern for their clients, even during the COVID time they had and they had a big care for their employees and guys are asking for us to work from the wall and in spite of that, very, very bad COVID atmosphere, the Company has made a such a grand performance. So that is a matter of pride for us and I ended up so, not to take much of the time, I will I will pray God to bestow positivity on you are on the management on our CFO, honorable compliance officer, Mr. Aman Mourya will join me the chance to express myself so I pray God to bestow positivity on all of them. So Best of luck to you. Thank you sir.

**Mr. Diwakar Nigam:** Thank you Mr. Chopra. And I assure you that we will work with total integrity, and we really work hard to make this company prosperous and you all prosperous Thank you.

**Moderator:** Now I may request next speaker Mr. Raju from New Delhi. Mr. Raju from New Delhi. Speakers is not going in the meeting. We'll move on to the next speaker. Mr. Manmohan Singh Dam from New Delhi. Manmohan Singh Dam from New Delhi.

**Manmohan Singh Dam:** Yes,

**Moderator:** Please go ahead sir, please turn on your audio and video.

**Manmohan Singh Dam:** वो सर ऑडियो सुनाई दे रहा है और वीडियो हम नहीं कर पाएंगे क्योंकि नेटवर्क का प्रॉब्लम है। चेरमेन साहब हम जो पिछले सालों में हम क्योंकि हम IPO से जुड़े हुए हैं। जितने भी जो नेगेटिव आवज़ें थी अब ये जो जिस तरह से ये कम्पनी एकदम टर्नड अराउंड किया है, कोविड के दौरान जो कम्पनी का जो IT का काम चला है अब ये सारे लोग चुप हो गए हैं। आज आप देख रहे हैं ये सारे लोग चुप हो गए हैं। वो इसलिए कर रहे हैं क्योंकि जो जबरदस्त काम आपने दिया है इसकी मैं भी प्रशंसा करता हूँ। जो आने वाले वर्षों में जो आईटी का जो है वो इतना ज्यादा स्कोप हमको नज़र आ रहा है। मैं तो ये कहता हूँ जी के ये जो हमारा शेयर ६००-७०० रूपए रेंज में है मतलब हजार तो कुछ ही महीनों में हो जाएगा। और फिर दो हजार और आगे मतलब बढ़ता ही चला जाएगा क्योंकि आपकी जो निति है न मुझे बहुत प्रभावी कर रही है। मेरेको जो चिंता जो है वो ये है की जो आपका US मार्केट जो है आपको उसमें आप कहे रहे हो आप फोकस करेंगे तो हमारे पास क्या जो क्योंकि जो काम बढ़ेगा तो हमारे को ज्यादा स्किल्ड और वो पोफेशनल्स भी चाहिए जो की वो काम को डिलीवर कर सके। तो उसके प्रति जो है वो मुझे पूरी आशा है को आपने वो प्लान भी बनाया होगा की हायरिंग कैसी करनी है कीतनी करनी है और कब कब करनी है तो उसमें कोई कमी ना आ पाए। मैं मैं जो मेरा ये जो हे न थोड़ा सा एक अलेर्जी है एंक्वाइटी है की whether we will have enough man power, place who can deliver. And the जो कंटिन्युअस हमारी जो ग्रोथ



है मतलब जो 25 % है न वो छोटा सा बेंच मार्क बना हुआ है IT में वो हमारेको हे न year on year प्राप्त होता जाए। ये मेरा concern है आप थोड़ा सा व्यक्तिगत आप बता दीजिएगा। और एक और मेरा छोटा सा रिक्वेस्ट है वो ये है जो अच्छी कम्पनी है जो IT की चाहे जो छोटी हो या बड़ी हो। जो अच्छी कम्पनिया है वो क्वॉटर्ली जो हे न वो रिज़ल्ट्स के साथ साथ क्वॉटर्ली डिविडेड भी देती है। आपने अभी साडे तीन रूपए दिए हैं तो may be you can start with 1 rupee each in all the four quarters and increase align with the increase in the profits. So that's my stake and the thanks the secretarial department and the finance department who are doing extremely well. Corporate Governance में काफी अच्छा कर रहे और अच्छा करे यही मेरा है वो मेरी जो भावनाए है! धन्यवाद।

**Mr. Diwakar Nigam:** Thank you. मनमोहन सिंहजी बहुत अच्छा कहा आपने। and thank you very much for update good wishes and good thoughts. देखिए हम स्टॉक मार्केट के बारे में तो नहीं जानते पर अपना काम अच्छे से करते रहे और आगे बढ़ते रहे। वो में आपको एश्योर कर सकता हूँ and we will consider your request for the date. Thank you.

**Moderator:** Thank you, sir. Now we move on to next speaker Chetan Chadda from New Delhi. Chetan Chadda from New Delhi he seems he has not able to join the meeting. We now move on to our second speaker Mr. Raju, from New Delhi. Mr. Raju from New Delhi. Mr. Raju Mr. Raju from New Delhi. (Noise). Please switch on your new video and please continue with your questions. Mr. Raju seems to be very some technical issue with Mr. Raju. With this we finished our speaker list.

**Mr. Diwakar Nigam:** I think all the questions were answered. Thank you everyone. We know of this now I propose a vote of things. I would like to thank the members of the Board are present in the annual general meeting and for their continuous guidance and counsel. I would also like to thank all the shareholders for their continued support and faith in the Organization. Members may please know that the e-voting platform will continue to be available for the next 15 minutes. Thank you very much and see you next year. Goodbye.