



Transcript of the 70th Annual General meeting of ITI Limited held on Friday, 04th December 2020 through Video Conferencing and Other Audio Visual Mode commenced at 11.30 a.m. IST and concluded at 01.20 p.m. IST

Company Secretary:

Good morning one and all on behalf of ITI Limited. I welcome the shareholders for the 70th Annual General Meeting of the Company.

And now we will raise ourselves for the National Anthem please

Thank you one and all, at the outset. I would like to go through the basic point for the conduct of the AGM through Video Conference and Other Audio Visual Means.

- The Company has organized the e-voting facility in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI
- The facility of participation at the AGM through VC and Other Audio Visual Means will be made available to at least 1000 members on first come first served basis.
- All the shareholders shall be put on mute by default to avoid any disturbances and to ensure smooth conduct of the meeting.
- Once the Q&A session starts, the names of the speakers will be announced one by one.
- The audio of the speaker will then be unmuted by the moderator.
- Before speaking the Members are requested to click the video button on.
- If the Member is unable to join the video for any reason, he can join through audio mode.
- Members are requested to have good lighting facilities, headphones and Internet connectivity to mitigate any kind of technical glitches
- In case of disturbance at the speaker end, we may allow the next speaker to proceed with his questions - the shareholders who have not registered may raise the queries through the chatbox.

- During the AGM, if the member face any technical problem he may contact the helpline number mentioned in the notice of the AGM.
- Since the physical presence of shareholders is not required and in compliance with the circulars issued by MCA & SEBI, the requirement of appointment of proxies are not applicable
- Members who have not cast their vote through remote e-voting earlier, can cast their vote during the course of the meeting through e-voting facility.
- Live streaming of this AGM is being webcast on CDSL website.

Now I would request the Chairman and Managing Director, Shri Rakesh Mohan Agarwal to address the meeting.

Chairman and Managing Director :

Yeah, Good Morning to everyone. I welcome all my fellow directors in this AGM, All shareholders and our Government Directors, our Audit Committee Chairman, and our all Independent Directors.

So, I'm very happy to be with you for this 70th Annual General Meeting of your Company being held though video conferencing. I think this is the 1st time it is being done.

So, I welcome you all once again, as the requisite quorum is present and I call the meeting to order.

We are for the first time conducting the AGM though video conference and it is in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI.

The information and documents to be made available for inspection during the meeting are available and any shareholders wishes to inspect the same can send an email to cosecy_crp@itilttd.co.in.

So now, let me introduce to the fellow directors sitting physically with me. My left most is Director Production Shri D Venkateshwarlu is there and then just my left Mr Shashi Prakash Gupta, Director HR and extreme right Mr Rajeev Srivastava is there and then right Company Secretary Smt. Shanmuga Priya is there.

Dr Rajesh Sharma, Government Nominee Director & DDG-SU, Ministry of Communications is participating from New Delhi.

Dr K R Shanmugam, Independent Director & Chairman, Audit Committee and Nomination & Remuneration Committee is participating from Chennai.

Shri Rajen Vidyarthi, Independent Director & Chairman, Stakeholders Relationship Committee is participating from Bareilly.

Our Statutory Auditors for the year 2020-21 M/s. GRSM & Associates, Chartered Accountants & Statutory Auditors for the year 2019-20 M/s. Sankaran & Krishnan, Chartered Accountants are participating from Bengaluru.

The Company has received 2 authorised representatives viz., Dr Rajesh Sharma Authorised representative of President of India representing 90.27% of the paid up share capital and Shri Manjunatha, Authorised representative of Governor of Karnataka representing 0.03% of the paid up share capital.

The Annual Report including the notice of meeting have been circulated to the Members, with the permission of the members present, the notice convening the meeting be taken as read.

There are certain qualifications in the Auditor's Report, Company Secretary would now read out the observations of the Statutory Auditor on the accounts and Secretarial Auditor for the Year Ended 31st March, 2020 in their report.

Company Secretary:

- The following are the observations of Sankaran & Krishnan, Statutory Auditor's in their Standalone & Consolidated Audit Report:

1) Pending approval from the Government of India on the finalization of the lease terms & agreement, rental income on the land leased out to the Bangalore Metropolitan Transport Corporation (BMTC) to an extent of the 12.15 acres proposed to be leased out to BMTC is already in the possession of BMTC, further based on the information furnished to us, BMTC additionally occupies 1.85 acres, has not been recognised as

income. A sum of Rs 285.00 lakhs received earlier from the BMTC under an agreement to sell is held under deposits (Refer Note 31.16);

2) Rental income on the land leased out to the Karnataka Power Transmission Corporation Limited (KPTC) (to an extent of the 5 acres proposed to be leased out to KPTC is already in the possession of KPTC), has not been recognised as income pending finalisation of lease agreement. (Refer Note No.31.18.)

3) Non-provision of Rs 5847.90 lakhs towards claims doubtful of recovery, being rent receivable from premises leased out to C-DOT up-to the period ended 31.3.2011 and no rental income for the period subsequent to 31.03.2011 for the same premises has been recognised on accrual basis due to uncertainty of realization (Refer Note No. 31.22);

Replies by the management to the observation have been covered in the Directors' Report

The following are the observations of Comments of Comptroller & Auditor General

1. Statement of profit & Loss Account

Expenses:

Other Expenses (Note -30) - Rs 9740.82 Lacs

The Company has charged Rs. 1363.39 lakhs being the expenditure incurred towards withdrawn Further Public Offer to Security Premium Account instead of Statement of Profit and Loss Account in contravention of Section 52 of the Companies Act, 2013. This has resulted in understatement of the above head along with overstatement of Profit by the same amount.

Liabilities-Non-Current Liabilities

Others (Note no. 15) Rs. 13392.97 Lakh

The above head is understated by Rs. 1356.20 Lakh due to non-inclusion of interest on loan for the period from 17-04-2014 to 31-03-2019 payable to Government of India on loan received for the purpose of salary payment for the period from February 2014 to April 2014. This has also resulted in overstatement of profit by same amount. This issue was raised during the accounts audit of 2018-19 also. However, no corrective action has been taken by the company.

Comment on Disclosure

A contingent liability of Rs. 691.71 lakhs payable towards the disputed claim from Income Tax Department has not been disclosed in the notes to the annual account for 2019-20. Hence the accounts are deficient to that extent.

Replies to the observation have been covered in the Directors' Report in page no. 176

The following are the Secretarial Auditor's Observation given in the Secretarial Audit Report by Shri D Venkateswarlu, Practicing Company Secretary

The Company has not complied with the provisions of Regulation 17 of LODR with respect to Composition of Board of Directors of the Company {having proper balance of independent directors} consequent to the completion of term of Mr. Saday Krishna Kanoria as Independent Director of the Company w.e.f 23rd November 2019.

-Replies to the observation have been covered in the Directors' Report in page no. 29

I, now request Chairman to deliver his AGM speech

Chairman and Managing Director

Thank you very much Company Secretary for giving the position about the statutory auditors points. Now I again welcome all shareholders and our Board of Directors and just I will tell you what we have done and what are our plans.

Financial Performance :

So as you are aware that our Company has Registered a profit for third consecutive year in the FY 2019-20 and now for the FY 2019-20 we registered a net profit of more than Rs 150 crore which is a growth of more than 63 % over the last year.

So this has been possible because of the continued guidance and support of our Board, our Government Directors, and all our Independent Directors and, of course, with the full involvement and participation of all of our shareholders and with the full support of the Government, and mainly by Department of for Telecommunications.

In the in the meantime Company has diversified into many new areas, which I will be covering when I will cover the other points.

And definitely during this financial year itself, we have a cloaked the turnover of more than 2400 Crore which is 20% higher then what we have done during the previous year. So over 2018-19 net worth of the Company has become positive for the 1st time in the last 2 decades, but it is a very, very positive sign for satisfying for the Company for 2019-20 we have been net worth positive.

So this has been mainly possibility because of the optimization of our resources, optimization of our expenditure and diversification into many new areas and aggressive execution of the projects, and Gujarat net has been one of the major contributor for the achievement.

Operational Performance :

Operational performance, as far as the operational performance is concerned. So, at the end of the financial year 2019-20 we were having the order book of more than Rs 18000 Crore this includes the advance purchase order of more than Rs 7000 Crore and our MoU targets for the year 2020-21 is around Rs 2600 Crore and we are sure to achieve it. Yes, because of the Covid, our 1st and 2nd quarter had been affected and definitely will overcome to some extent, this in the 3rd quarter of this financial year and the final quarter of this financial, and we are sure with the full support and guidance of our Board, we will achieve this Rs. 2600 Crore profit.

So we have defined above projects, management is telling, I was telling you earlier we were doing mainly because of the different, different constants, all the orders and executions through some of our backend partners.

But from last year onwards, we have changed our project execution strategy to complete the project management control. We do have our ITI officials control, complete control and all the materials and other things ITI procuring from the market and then execution is being done directly by us and this is resulted in some very good.

And our profit is least 200 to 250% of profitability has increased because of this strategy we can jump in and I will share with you when the project is closed project, Gujarat

project is going to be closed another two months time, by January it will be completely, completely done.

And then MC already been started. Let me just share you that Gujarat is divided into three Island.

So, in Island, 1, around 8- 9 GP is there and island 1 is completely done with and it has been handed over by ITI itself to the Gujarat government for the maintenance purpose. The maintenance is already started.

Island 2 we have already completed. 90%, GP have already been lifted, the remaining will be done during this month itself and then this will be again handed over during this month itself for the maintenance and in the month of January islands 3 will be completed and this will be made over. So, I think we understand that Gujarat will be the first state of the Country where not only GPs are getting lifted and It is commissioned and it has been all the GPs had been put to the utilization by the Gujarat Government with the full involvement of its partner.

In Package A GDPL is the partner and Package B ITI is the partner. So as far as the total continuation of More than Rs 2400 this revenue is concerned. So, yes, Gujarat, as I told you, it's a major contributor in the 2019-20, it has given a contribution of Rs. 1058 Crores during the 2019-20 and as I told you this project is going to be completed in the next 2 months' time by January, I'm a 100% sure this will be completed.

The 2nd major contributor is the Mahanet project yes, it has contributed. Rs. 619 Crores total project size is around Rs. 2500 Crores and Rs 619 crores has been done in the year 2019-20 but of course, as I told you, Gujarat we are doing on the back to back basis so Gujarat get changed from back to back to our own management but Maharashtra already executed and decided and was working in full swing.

But now in the Mahanet project the full involvement of the present management we have made our partner to order certain items from ITI because of which profitability in terms of supply of the HDPE pipe, optical fibre cable and wifi has increased our margin. It has more or less double double margin so but still this project execution was slow because of the various reasons in 2019-20 so this year we have taken fast way and still I feel around

Rs 1200 to 1300 crores turnover we will achieve from this project around Rs 1300 crores we will book from this project by march and then remaining we will do or complete in the first quarter of the next year. So this project is delayed project and already Maharsashtra Government has extended its timeline till 31st March 2021. So, we will try to see to it this is completed, but particularly in some more months we'll take, because some decision making process was slow in the Gujarat and in the Maharsashtra because which some delay was there.

3rd Major Contributor is our marketing and marketing offices across the Country. So they have contributed more than Rs 200 Crores business in the year 2019-20 and then of course NFS project, again this is the project ITI is doing on behalf of BSNL and DoT for the Defence Project (Network Prospectrum) in this project also certain delays are there but definetly during this Financial Year we do have the package F and package G and certain links are still pending, we have committed to the BSNL and Department of Telecom all this things will be completed during this financial year itself.

Similarly, we are doing the ASCON Project and other projects ASCON phase 3 and that is the AMC business is there, we are having around Rs 97 Crore business from this project. We do have manufacturing facility at all the five plants and all the five plants have contributed, I won't say significantly. But this HDPE pipeline, 3d printing, data centre, smart energy meters and some small small items from different different plants like SMPS, wifi and other things overall the total contribution have been around Rs 198.3 crore from the manufacturing businesses.

So we are trying to see how we can increase the manufacturing. So, yes. Significant improvement will be there from the manufacturing plants during this financial year and I'm sure that, at least 50% growth will be there in the manufacturing business in this financial year.

So our main focus is how we can increase the turnover to main focus and value addition also. Main focus is we should increase the manufacturing, we should focus on the manufacturing whatever projects we are doing, So, yes, number 1, we are targeting, we should aggressively bid in all the projects so that at least the competition is tough.

And all the Bharatnet projects, and all the smart city projects, where ITI do have expertise in all the private players like L&T, Sterlite, HFCL is there even public sector are also very very aggressive nowadays, L&T, our raitel, BEL so 7-8 competitors are always there even private players cable manufacturers like polycab and VTL, now they are also competing with ITI. So in all the tenders we find 8-10 good competitors. That is why we have to be very very aggressive while participating in the tenders but let me just tell you one more thing during this financial year this Tamil Nadu fibre project was there, so earlier this was cancelled because of certain reasons we have represented to the Government and Department of Telecom also and now we are qualified and then again in this more than 8 parties, i.e. Sterlite, L&T and Polycab and then Railtel, TCIL, ITI and then VTL, HFCL atleast 8 parties participated and I must tell you one good condition was that not one package, total 4 package were there, where ITI have aggressively participated and bided in all the four zones and yes we were L2 in all the four zones because of this condition. So the difference between L1 and L2 was very, very narrow, only 2 to 5% Difference was there.

So, yes so now just before they started, we were declared. Yes, we will be getting 1 Zone. And that is zone of our choice, so atleast one zone we will be getting and again this TANFINET, Tamil Nadu, Dr Shanmugam must be knowing this, he is from Chennai only, so we shall be starting the work in Chennai also in target. Timelines are 1 year and we have given the aggressive timeline. Yes, we shall complete this project in next 6 month's time. So that is the way ITI is now going ahead and our 5 HDPE Pipes, Cables we will be supplying from our ITI factories.

So that is the good news, which I would like to share with you all my shareholders. Similarly, we will be participating, we have written to the Department of Telecom to give us some work on completion basis, is they are giving to the BSNL, like J&K is there similarly some GST, wifi installation work they are giving to the CST, so we have requested honourable Ministers also in the Ministry of Communications as well to give us works, so we hope during this financial year 2020-21 and in the coming years, we'll get more Bharatnet work from our department.

Social Responsibility during COVID :

Similarly, for the social responsibility, we have during this covid period yes when everybody was affected, I must salute to the ITI officials and stalwarts who have taken

and we have adopted 1000 families during this covid period in the March itself and more than 60,000 ration kits were distributed. When everybody was starving and going to the field then our people then all the families came together and yes by maintaining the social distancing and by maintaining all the Government norms we distributed this ration kits and still we are supporting them whosoever are needy, we are supporting them through one way or other in our around this campus itself.

Similarly, we have contributed to the Prime Minister Care Fund as well by donating one day salary, so this was done in the social responsibility sector.

Plans for the year:

So, for this financial year as we understand we were declared L1 in the ACSO in 2017 itself this was the very very prestigious project again. In this project we were declared L1 against all the odds and all the competitors were there, L&T were there, Sterlite was there and BEL was there so many competitors were there but we were declared L1 but yes for the last 3 years we were fighting aggressively with the Ministry of Defence, we were actively pursuing our case through our Ministry also but finally, this order was signed on 1st of October itself.

This case was cleared on 03rd of September by the Cabinet Committee on security, and then agreement was signed between the Minister of Defence and ITI on 01st of October this year itself and timelines for completion of this project are 3 years and first 6 months, it means it is starting from 01st October and 31st March we have to complete this POC (Proof of Concept), they want POC should be done and only then the complete project in the full-fledged manner can be launched so our team are fully aligned and we have already appointed a number of agencies, including our project management agencies and we are committed we will doing POC, the site has been finalised at Delhi itself and we have already started the work, as far as civil infrastructure work is there we have already finalised our vendors, vendors have already been decided during the map itself in 2015, already orders have been placed to the Vendors by adopting the processes and we are sure, we shall be completing POC within the stipulated time.

In the meantime, we are going aggressively for other works as well so that this project can be seated head of the scheduled time on it and this project can bring the good

profitability and bring back the lost old glory of ITI Limited by completing the project on timelines. So, then, yes, we are profit making company for the last 3 years.

But, as you understand, our all over shareholder understand that cash problem was there in the three years and our staff and officers are still 1997 scale, so now we will be actively pursue for this latest 2017 pay scale so that at least some minimum wages, minimum salary our staff and officers should get this and working day and night and that is why your Company is a Company where officers are near around 3500 officers and staff are there and during this financial year we have given them VRS also. Because we understand that at the 97 pay scale people are not happy so yes, around 496 officials have taken VRS and 30th September was the last day for the VRS. Yes because of this, we will be having, both will be having win win position and our staff and officers will be getting some handsome amount because of the VRS and Company will be having some savings on the salary part and this VRS amount was given to us by the Government of India as a revival package and during 2018-19 itself and amount was not fully spent so yes that amount will be utilised for that purpose. So yes the staff is now getting retired and opted for VRS also so in the meantime we are recruiting the fresh officers, fresh engineers from the market to bring in the latest technological officials and not only in the technical part but in the finance also number of Officers have reduced there was a big gap from the Director Finance to the AGM level, No GM Level, NO ED level and junior level also, so we are recruiting directly from the market and no. of senior persons from private organisations are joining ITI, just looking at the pace of work of the ITI.

So ASCON is the first thing and similarly we have signed BSNL. As you are fully aware that BSNL is coming up with the 4G tender, they wanted to float 4G services PAN India wise so last time when they floated the tender because of some issue projected by some of the Indian partners and projected by Government of India, this tender was cancelled and yes fortunately we do have the reservation quota in all the services and the procurement of the BSNL, so yes it's service sector 20% quota we do have and thanks to the Department of Telecommunications for this thing, so atleast one package, why I am saying this because we will be bidding in this tender and we are sure that we bid aggressively, we may get more than one package also but for that thing we need to have a one technological partner with us right now.

ITI was known for a technology and other things because it is an old company but right now we don't have the 4g and 5g technology with us, so we have tied up with Tech Mahindra and TCS in the year 2020-21 itself and yes by the way Tech Mahindra by himself is not having any Technology so they are tying up with the backend good Indian partners, similarly TCS is also partnering with the local Indian manufacturers like our C-Dot, design makers, smaller companies are also there. So yes we have tied up with these two companies and off course as a safety measures we are having some dialogues with the other companies as well so that whenever tender is launched we don't miss the chance and rather we will bid aggressively and again this is a 8Rs 000 crore project and we are sure in the next financial year because this financial years is going to end it and some POC and other things will take in the next financial year and we will work for this 4G tender of BSNL, which is more than Rs.8000 crores.

Similarly, for the smart city project, we are bidding aggressively in this financial year itself this. Andaman and Nicobar project, though it is not a very high value project, small project but we have won this project again with aggressive competition and first time in the history of ITI we have gone to the private service providers we were aggressively talking with the Airtel. Airtel finally has given their fibre roll out project to ITI, yes right now amount is not very much, normal turnover, maybe around 60-65 crore, but definitely that is yet to start with. Once we do good work for them, then this work shall be extended and indications are there that they are giving us more works in the area of Chennai, in areas of Bengaluru and area of Calcutta, so that is a good start as far as this private organisations are concerned now in the mean time we do have very good tie ups with this satellite equipment manufacturer, so they have tied up with ITI, similarly this Intel it was very, very advanced stage so that we can start manufacturing this micro PC and mini PC. Micro PC we are already doing some work for that PC we have tie up with for the laptop also with them, because laptop is the big requirement in the education sector by the different different state governments and Central Government.

So, similarly in the EV Band also, EVM Band is a very big requirement for the, not only for the whole area, but for those cities as well, it can be replacement of the fibre also.

So, we are having some technology partner in the EV band also, and now we are focusing. So, at least more than 15 tie up we do have for this financial year. For router also, for

small, small companies we do have tie ups with BSNL, this also we do have also done many, many companies and we have entered.

We are entering into a very, very big way in the new area of the cyber security, already ILaNTUS is our partner for the identity management and the access management, and now we are getting orders from the banks as well.

So, I will say to you in your Company trying to diversify in all the new technological areas like 4G, 5G, cyber security, artificial intelligence.

Similarly, in R&D sector, your Company was known to be renowned but right now in the last few years, when we were at the losses all the good talents went out, they have left this Company, so we are trying bring back those talent by recruiting from IITs and NITs and then in the middle level also, the senior level also way we have recruited around 80 to 100 young engineers from the different different IITs and NITs to fill up the gap and in the middle level also we are putting around a significant number of officials in middle level manager and for that, I will complement our Director HR is going in a big way in all those things.

They will be the backbone of the Company in the future to come, because all the existing staff and employees 80% staff otherwise will retire in the next 3 years time. So, yes. To fill up those gaps yes, we are taking the action and document is being getting ready for HR policies also.

So, similarly, we do have now EMI EMC labs, safety labs, we have commissioned and we know we are going NAVL type of assessments, so that it can be done in a big way.

And, yes, one, big thing we have done during this financial year, as you are fully aware, ITI is having huge land bank, not only in the Bangalore, but other places as well.

For the Bangalore, we have identified around 200 acres and 1 scheme was there from ministry of information, electronics, information technology i.e. a MC 2.00T here where a significant more than 100 per acre is given by the ministry for development of those land pieces and then giving it to the User i.e. companies who want to use this land for that for setting up electronic manufacturing facilities.

So, ITI by the way, have more than 200 acre. We've identified it.

We have sent the proposal to the Ministry and grateful to the Department of Telecommunications, they have endorsed our proposals, they have agreed to the proposal.

And now this proposal is, I think, would have gone or is going to the DIPAM.

Then it will be for 5 years to 30 years lease because lease in case we want to give manufacturers our space for lease, they want for the longer years and for that purpose, only Government is authority

so I am sure that this case will be approved by the DIPAM in the next 1 month 2 months time.

So, once it is approved, but then whatever land pieces, whatever facilities we have we can give on the long term lease and we have got the approval of the ministry for the sending the proposal to MEITY also. So we will send the proposal to MEITY also.

So I'm sure it will fetch a good amount of returns in terms of the lease rental around Rs 50 to 60 crore per annum.

From the, whenever it is done, I won't say, but the point is, in the next financial year, the complete process will be over. We will be reaching out to the other manufacturers and other things in the next 6 months time. This process can be over.

So then at least Rs 50 to 60 crore per annum lease rental may come.

Moreover, then ITI will be known as a name in the country for all these manufacturing facilities and if we can have lot of good tie-ups with whosoever, coming to us. So it will be two-way advantage to the ITI.

Similarly, we have done some good thing as far as skill development centres are concerned. We are approaching to the J&K and Central Government also, for the imparting to empanel ITI as a center.

In the data center is 650 data center was new data center which was commissioned and all approvals and certifications are there in place. Yes, we have approached the MEITY for the empanelment of ITI so that all the government business can come to our data centres.

So, I would say, whatever Government of India plans are there regarding Make in India, Aatma Nirbhar Bharat, we are doing and supporting all those plans. We have made a plan to Manufactured in a big way.

So, yes, as far as COVID-19 is concerned, we have our officials have taken, all the plants taken steps in a very, very big way. We started the face shield in a big way, more than 20 lakhs pieces we have sold throughout the Country and our pieces is accepted and appreciated by all.

And definitely in the meantime, this Ventilator we have already manufactured, it is under testing phase by the local DRDO authorities.

Similarly, vending machines, we have developed, face mask vending machines, and one automatic sanitiser machines, UV based disinfectant machines, we have developed during this period. So around 5, 6 items have been developed and these have been appreciated and being used by the public, and all these have been done with the technology behind it, like DRDO and the others.

So, I would say we have taken actions on all the fronts not only in the marketing in the HR. We are trying to improve the things in significantly manner in the finance.

Our Director Finance, who was our CFO, GM- Finance, recently promoted and given the charge of Director Finance.

So he's trying to see to it, how our debtors can be controlled. He's doing his best to bring down the debtors from BSNL side, we have more than Rs 1500 crore debtors.

our focus is to settle down to, realisation may be less, but to settle down and focus is to settle down significant amount during this financial year.

Similarly, MTNL is there, BBNL is there, but BBNL is a good pay master. Yes, issues are there but definitely we will settle down. Our focus in the finances is to bring down the debtors significantly and correspondingly creditors will also be reduced.

Similarly, in the financial performance how we can bring down the cost of the cash and cost of the fund.

So, yes, that way we are trying to bring down interest rate by catching with the banking chiefs.

Similarly, on the expenditure side also we are trying to seek expenditure is optimized, is reduced in all the plants. So I will appreciate, yes Company is taking shape and finance also, HR also and similarly productions also. I'm sure, during this financial year whatever commitments we have done with the Government and signed to meet with the Government, all those commitments will be made.

Overall to understand the marketing side, yes Director Marketing post was lying vacant after my delegation as the CMD. Now it's more than 1 year so I was looking after, I was assigned the job Director Marketing also.

So my time was going, but now the new Director Marketing has been appointed and I think he may join us shortly in the month of December itself.

So, once he joins, the board will be completed.

So, your Company is trying to come up and I think there may be very very rare example in the country and the world where a Company, that too a public sector company who is in the red for the 20 years. It has not only come out, but trying to, so many issues still are there, I won't say issues are not there. But we are trying to cover all the issues and we are trying to make it a cash rich Company in the next 2- 3 years time with the full support of the shareholders, with the full support of the Board, and with the full support of the

government. Support never means I want certain things in terms of the financial, support means Yes you do Whatever proposals are there, be very proactive to do it and sometimes decisions are taken in the best interest of the business. You fully support all those decisions. So we are working, like a corporate culture and definitely we commit to our shareholders that this is the Company which will give you good return in future.

Definitely, right now we are not paying dividends and of course, the dividend is a thing which we are supposed to pay with the approval of the government and right now because we do have some old accumulated losses, that is why we are not in a position. But definitely in the time to come, definitely we will think of paying dividends as well.

So, yes, now we are aspiring to be Mini Ratna and Nav Ratna also. So we have sent the proposal to the Governments and of course, certain queries are there which we are addressing.

So, we assure that your Company is now in the right path and growth part and diversified companies, not only in the technology, but rather in financially also we are going to see very, very deep angles.

So, with these things, I will say thanks to you all for my patience listening and just with the Covid period going on, everybody is affected. By the way all of our Board Members, including Director finance, Director production, myself and senior officers got affected. I am not sure about Director HR.

But during this testing period, we did not stop for a single day also. While maintaining the norms of Government, we have been working throughout this period of locked down also as well as right now itself. So we have tested, but we are running against this tough period and I'm sure finally Covid will not affect this financial year. Yes, Quarterly Results may be affected, but finally our results will not be affected in this 2021 itself.

I'm sure with the full involvement and with the full support of the Board of Directors and the shareholders I'm happy to announce next 2021 we will clock at least 20% growth over the last financial year. Yes, that is my commitment to you all and similarly, in terms of the turnovers, in terms of the profitability also.

And then in coming years, we will be doing better and better. Finally, I will say, thank you to you all.

Please stay safe stay, stay healthy and be happy, and our shareholders will always get good returns from the Company. Thank you so much.

Now, I request you all in case if the queries are there probably go ahead with the question answer sessions.

We will collate all the questions and then respond to at the end.

Over to the shareholders for the question and answer.

Moderator:

There are three shareholders who have registered for the question and answer.

First is Mr Santosh Kumar Saraf.

Hello?

Chairman: Yes, please. *Namaskar! Namaskar!*

Santosh Kumar Saraf: *Mananiye Adhyaksh, upasthith sadasyagan aur mere shareholder Bhaiya Behano, jo aaj video conference k through upastith hai, aap sabhi ko mere namaskar.*

Aasha karta hu, aapne Jaisa ki kaha tha ki app log covid mein affected hue the, aap swasthya honge, humare anya director swasthya honge, aur humare jitney bhi managerial staff hai who bhi swasthya honge, humare jo employee hai who bhi swasthya honge aur humare jitney bhi shareholder hai wo sab bhi swasthya honge. Unki family bhi swasthya hogi. Unke ache haal ki aur swasthya ki main bhagwan se kamana karta hu ki aagey bhi sabhi swasthya rahenge.

Sir aap ne kaafi apne speech mein bata diya toh puchne k liye bahut jyada nhi hai. Phir bhi jab main Kolkata se attend kar raha hu, mera naam Santosh Kumar Saraf hai. Ye pehli bar mauka mila

hai aapse baat karne ka. Aapki meeting Bangalore mein hoti hai kariban September month k aas pass hoti hai. Main Bangalore mein June mahine mein rehta hu, isliye kabhi meeting attend karne ka mauka nhi mila. Main June mahine mein rehta, toh Infosys, Wipro, etc ki meeting main attend ki hai. Jaise ki aapne cost cutting k bare mein bataya hai, aur Director logo ka bataya hai ki abhi bhi 1997 ki pay scale mein chal rahe hai, pay scale kafi kam hai.

Jo aapko last year CAPEX plan k liye Rs 105 crore mile the usme se kewal Rs 36 crore use hue hai uska kya reason hai ki baki k Rs 69 crore use nahi hue. Agar isko utilise kare toh kafi takleef kam ho jayegi.

Last 2002 se aapne kabhi dividend nahi declare kiya hai. Jabki 70 saal purani Company hai aapki aur maine jo dekha hai ki aapne 3-4 bar hi dividend propose kiya hai. Ye kafi dukh ki baat hai, kya reason hai ki ye 70 saal mein bahut nayi company aayi jo kafi aagey bad gayi aur hum piche se hum log loss pe loss pe chal rahe. Sir aapke aane k baad se hum log last 3 saal se profit bata rahe hai ye profit itni jyada nhi hai ki hum apne loss ko make-up kar sake, aur jab tak purane loss ko make-up nhi karte, hume Government bhi dividend allow nhi karega.

Aur Government ne bhi kafi help ki, Government ne equity li hai. Government ka investment bhi kafi hai, lekin aapka bhi kartavya hai ki aapko shareholder k baare socha jaye.

Aapka main competitor kaun hai? Ek toh sir, last year jo import distribution jyada hua tha toh main chahunga ki import pe dependence kaise kam ho jaye. Iske pehle saal jo tha use qariban 50% jyada increase hua hai. Toh hum ko aatma nirbhar Bharat banana hai toh import pe dependent kam banana padega sir. Iske liye Board kya vichar kar raha hai, kya kadam utha raha hai uske baare batane ka cheshta kare.

Last year humne dekha R&D k upar kam kharcha kiya, toh agar aap R&D kam kharcha karenge toh new development kaise hoga sir. Abhi log chahte hai daily new, har doo teen mahine baad logo ko nayi nayi chiz chahiye, ye zamana abhi demand ka hai toh R&D pe dhyan dijiye sir.

China pe jo restriction chal raha hai isse Company mein kitna labh ho sakti hai, uspe kya kadam utha rahe hai jisse jyada se jyada apne ko labh ho aur apne desh ko aatma nirbhar Bharat kar sake.

Female employee k bare kehna hai, aapke total female employee jo hai 11.76% hai out of 2889 permanent employees. Aapne casual mein toh female employee ki sankhya achi di hai sir. Lekin permanent mein female employee ki sankhya kafi kam hai. Main aapse request karta hua ki aap

female employee ki sankhya bariye. Ab toh Government ne bhi allow kar diya hai, din mein aur raat mein kaam karne ka. Toh female ka development matlab poore desh ka development hota hai. Abhi toh finance minister bhi female hai sir. Toh humko female ko aagey barana chahiye. Modi ji ko hi dekh lijiye, woh female ko har jagah leader bana rahe hai. Fighter plane mein bhi, 26 January parade mein bhi female lead kar rahe hai. Toh main chahta hu aap bhi female ko aagey baraiye toh acha rahega sir.

Ye dispute k cases pare hue hai 1986 se unko bhi dekhiyega sir. Sabka Vishwas aur vivad se vishwas scheme ke through kuch settle hote ho toh apne kafi case kam honge. 40 case maine dekhe the, use minimise kijiye. Acha nhi lagta hai ki Government ki Company aur Government se dispute shobha nhi deta sir.

423 employees jo VRS liye hai ispe apna total kharcha kitna hua hai.

Ek jo last year humne dekha tha Further Public Offer, usko aapko cancel kaise karna pada? Kya reason hai sir? Kya offer price ke karan cancel karna pada. Mere ko jaha tak yaad hai market ke hisab se discounted price se kam the, isi karan market ne vishwas nhi kiya.

Ek to ye hai sir maine pehli Company dekhi hai, maine kafi company ki virtual meeting attend kari hai, ye pehli company dekhi jaha 100% employee association se connected hai. Aur association se connected hone ka matlab hai employee ko misguide kiya jaa raha hai. Jo leader hote hai who apne staff k baare baat karte hai. Toh jo employee hai woh association se kam connected ho toh company k future k liye acha hoga.

Main ab jyada samay nhi lunga sir. Main aap se asha karta hu ki aapke leadership k under Mr Agarwal Ji, Company din do guni aur raat choguni aagey baregi. Toh losses jo hai who set-off ho jayenge. Aur aap fir Company ko 18- 19 saal baad dividend declare kar payenge, toh logo ko kafi khushi hogi sir aur app ko logo ka aashirwad milega.

Main fir aapke swasthya ki kamana karta hu. Aap log ache se rahiye. Aur sir covid k bhul jaiye, aur covid k karan jo opportunity mili hai hum usko lekar aagey bade. Aaj Covid ke karan hi aaj main aap se video conferencing se baat kar pa raha hu sir. Nahi toh virtual meeting hum kabhi sochte bhi nhi sir. Aur aapko main request karunga sir, ki aap physical meeting rakhiye, agar log chahe toh who Bangalore wali physical meeting attend kar sake aur uske saath video conference k through bhi meeting rakhiye sir, jisse hum bhi apna vaktavya rakh sake sir.

Aise main Bangalore jata hu june mein, infosys ki meeting attend kari hai kai bar. Woh log physical meeting ke saath video conference wali meeting rakhte hai Bombay walo k liye kariban aadha ghante ka. Aisa aap chalu karenge toh bahut acha hoga sir.

Main aapki swasthya ki kamna, apne jitney bhi managerial staff hai, secretary madam hai, jitney bhi apne directors hai aur jitney bhi staff members hai, employees hai unke swasthya ki kamana karta hu. Unke family ki swasthya ki kamana karta hu aur bhagwan se prathna kart ahu ki who ache se rahe, anand se rahe, aur covide se bahar nikal k aane wale opportunity ko graham kare.

Jai hind, jai bharat, jai Shri Ram

Aap sabhi ko mera namaskar sir. Aane wale saal mein aasha kartahu ki aap logo se fir video conferencing k through mulakat hogi.

Chairman and Managing Director:

Namaskar Santosh Kumar Ji, pehli baat toh aapne jo hum logo k liye, humare swasthya k liye, Board k liye, staff k liye, sabhi families k liye, poore shareholders k swasthya ki kamana ki hai, uske liye main aapko dhanyawad dena chaunga aur main kamana karta hu ki aap bhi swasthya rahe, aapke pariwar, aapke sabhi mitra gan aur jo bhi sambandhi hai ye bhi jaruri hai.

Aaj k time mein health hai tabhi hum aagey badh sakte hai. Ye maine dekha hai is period mein bhi aur mujhe bahut acha lag raha hai aapse baat karte hue. Aapne jo ye baat kahi ki covid k kuch bahut bade nuksan hue hai isse kuch na kuch humne fayde bhi liye hai. Toh aapne ye bilkul sahi kaha ki jo video conferencing k through meeting hone lagi hai ye bahut bada fayda hai.

Pehle hum aap se baat bhi nhi kar paate the, mil bhi nhi pate the, Delhi meetings ka mujhe specially yaad hai ki September mein mujhe jana parta tha. Toh yes ye baat apne jo kahi who mere dimag mein pehle hi aagayi thi ki aagey jab bhi normal situation hogi tab hum physical meeting karenge lekin jo aapne baat kahi ki aapse pehli bar mulakat hui hai ki bilkul hum isko dhyan mein rakhenge aur main Company Secretary ko anurodh karunga ki woh as a decision isko remark kar liya jaye.

Mujhe maloom nhi Government Decisions kya honge lekin mere ye personal request rahegi ki yes agar physical meeting ho tab bhi hum through video conferencing ka 15 min ya aadhe ghante ka apne sabhi viewers ko , apne jo shareholders hai jo isko attend karna chahte hai unko mauka de. Toh iske taraf main aapko aashwast karta hu ki hum humare taraf se poori koshish karenge govt regulations ko dhyan mein rakhte hue.

I am very very happy ki apne itna interest liya hai. Kyu ki hum ko ye sandeh tha ki video conferencing k through ITI thodi se less known Company hai, shareholders toh humare apne hai. Lekin fir bhi kai bar kya hota hai na ki log nahi participate karna chahte hai. Toh main aapko isliye bhi dhanyawad dena chahunga ki apne na hi isme participate kiya hai balki aap Company k baare poori jankari rakhte hai.

Kahi bar kya hota hai na ki itni jankari toh khud ki company k log nhi rakhte, including employment of ladies staff. Toh aapka jo last sawal tha female staff ko lekar main wohi shuruwat karta hu.

Dekhiye ab jo hum naya recruitment naya kar rahe hai toh abhi toh koi specific female, male ka reservation ka government policy toh hai nahi. But still apne jo baat kahi who baat dhyan mein rakhi jati hai, ki jab bhi hum recruitment karte hai, interviews lete hai toh hume jaha kahi bhi lagta hai ki ladies staff hai officer hai acha hai toh unko select kiya jata hai.

Main aapko do example deta hu, jo abhi maine officer on special duty, dono naye officers recruit hua hai, NIT se aaye hai, plus engineering kiya hua hai. Usme humne balance rakha hai. Ek female officer hai aur ek male officer hai. 50-50% abhi yaha ho gaya. Abhi ek Executive Director ki post highest level ki post hoti hai Company mein after the Director. Toh abhi humare pass 85 applications aayi thi usme se hum logo ne 8 logo ko shortlist kiya , interview liye. Dr Shanmugam is there. To dekhiye humne jo finally appointment diya who female officer ko diya. Toh she is an ED now.

Director HR :

Ek addition main kahunga, I am Director HR, Shashi Prakash Gupta. Actually as on 30th November 2020, we have 493 female employees total, which comes to 18% of the total strength. Abhi humari strength bhi kam ho gayi hai pehle k mukable. Abhi humare pass jo total strength 2849 hai, toh humare approximately yehi system hai and we are going to increase it in future. Toh dekhiye 18% as on 30 november ko hai, abhi humara recruitment process is on.

Chairman and Managing Director :

Apne bahut sahi samay pe ye chiz batayi hai. To you will see ki sab isko kitna bara sakte hai. Hum isko barayenge hi barayenge, kuch kam nhi hoga.

Second fir apne FPO k baare pucha, toh sir bilkul thik kaha apne, Follow on Public Offer tha usme humne discount bhi diya tha. Usme humne koshish bhi puri kit hi, humari Secretary sahib ki bhi poor involvement tha, Ministry ka bhi involvement tha. But mujhe lag raha kahi na kahi timing ki thodi si galti rahi hogi. Kahi na kahi jo humare third quarter k results the, uske turant baad hi hum public offer lekar aaye the. Public ko bharosa toh tha, but itna bharossa nhi ho pa raha tha ki aagey hum kaisa perform karenge. Aur iske alawa thoda issue jo tha woh ye ki issue size hum log 18 crore laye the. Ye surprisingly humne kafi aggressively discounted orice mein di thi aur aap dekhenge ki public ka participation kafi rujhan mein tha. Jo norms SEBI k ye the ki 75% QIBs ko subscribed karna hai, Qualified Institutional Buyers hai unko lena chahenge. Norms k hisab se saare k saare commitment the humare pass pehle se hi. Banking sector tha, private sector tha, LIC tha. Toh usme ek doo issue aise hog aye the ki last stage mein jakar who commitment the, bari bari banking organisation k, shayad jo unke ministries the jo unke different level of secretaries the official the unke taraf se kuch na kuch issue aagaya tha.

Usme HNI ka involvement bahut tha, bahut HNI chah rahi thi, public bhi chah rahe the. Lekin jo humara QIB us samay 75% tha ab woh 75% nhi hai. Toh yes it was a very good learning for us. Very good lesson for us. Toh aapke management ne bare positively liya hai, aur chi learnings humare liye rahi thi. Hum me kya galtiya se usme se humne bahut kuch sikha hai. Toh yes who issue the jiske wajah se QIB quota humara pura nhi ho paraha tha. Uski wajah se thoda bahut toh dekhiye public ka quota pura ho gaya, toh aap staff ka dekhiye, generally woh quota pura nhi hota, who bhi pura ho gaya tha.

Toh yes jo norms hai who humme 3rd august 2021 se pehle, we have to again go to the public to meet the minimum public shareholding requirement. Toh yes aap dekhiye aap ki Company acha kaam kar rahi hai. Jo bhi rate hoga, us samay humara 72- 73 rate tha, toh ab jo bhi rate nikal k aayega. Covid k time rate karibeen 52-55 pe pohach gaya tha, but now again it is consistently to Rs 115 to Rs 130 after six months time. So we are sure ab jo bhi hoga acha hoga and you will get good advantage out of it. Toh main aapko assure kart ahu ki jo bhi hoga acha hi hoga. Us samay reasons the, shiyad hum thoda jaldi baazi mein aagaye the. Let us agree. But who jaldi baazi humare liye faydemand raha. Kyuki jab bhi issues aate hai toh humari learning initial stages mein hi ho gayi.

Now coming to the staff jo logo ne VRS liya, toh who 496 figure hai aur further usmekitna expenditure hoga, kaise karenge, I would request Director Finance to answer.

Director Finance:

Main Director Finance hu sir, VRS jo liya hai 496 employees ne sir, isme aap ne pucha what are the financial effect of this. There are two three component which gets paid when people apply for VRS isme one amount which we need to pay is the ex-gratia amount which is about Rs. 48 crores the other one is PL encashment which is around Rs. 20.79 crores, so these two amounts would go out of Companies resources, for which we received the grant already from DoT, the other two elements are PF and the gratuity and gratuity has already been paid because the gratutator which is running sir, dusra isme jo PF hai, PF trust mein jo paisa ata hai usme se pay ho jayega, if you ask me sir ki isme Financial effect kya hai to ye karib 58 ya 69 crores ke aaspass hai on account of VRS. On the Finance thing, ek issue or apne raise kiya tha ki ye Sabka Vishwas aur vivad se vishwas scheme ka hum benefit kyu nahi lete hai, iske liye bhi already put up , we request to the local Income Tax Department and they have accepted our demand sir, so they are processing our claim, they are waiting for the finalisation of return for the current year uske baad we will approach them for resolving our vaad se vivaad scheme ke under hume jo benefit lena hai.

FPO expenditure ke baare mein CMD Sir ne bata hi diya hai apko, sir ek apka suru mein ek sawal tha ki hum dividend kyu nahi pay kar rahe hai 2002 ke baad se,agar aap dekhenge humari Company ki history to we were referred to BIFR as Sick Company and we were under BIFR resolution scheme and 14-15 saal tak hum BIFR mein rahe as a sick company humara net worth jo hai pura erode ho chukka tha or hum profit bana nahi rahe the, we were a loss making Company Sir and 2014 me there was revival scheme which was sanctioned to us by the Government of India for Rs. 4156.79 crores, uske 2 component hai usme 1892.79 crore jo the was towards grant-in aid or baaki jo CAPEX hai kaarib 2256 crores usme se 769 crore hume mil chukka hai sir,to jab hum revival scheme se bahar aate hai, scheme ke ander ek cheez leekhi hui thi ki jab tak hum statutory dues pura clear nahikarlenge tab tak hum dividend declare nahi kar sakte so 2002 se hum loss making the, but abhi bhi humare pass accumulanted losses hai to abhi humare ko kuch time or lagega jab hum is stage me aa payenge ki hum jaaker dividend announce and pay kar payenge.

Chairman and Managing Director

Apne kaha tha ki dispute wale cases hai to yes you are very right, yes disputes are still there, and we are trying to resolve all the issues in a time mode manner, jitne bhi humare legal disputes hai ya aapas ke humare disputes hai to we will reduce it significantly.

Director Finance

Sir if you permit mein batana chahta hu, isme apka question tha ki hume last year 105 crore we have received the CAPEX grant

Chairman and Managing Director :

One by One, I mean I am going One by One, Employee we have covered, FPO we have covered, disputes we have covered, Female employees is already covered, apne kaha tha ki humare main competitors kon hai , to isme dekhiye hum log alag alag sector mein, matlab hum kaafi diversified hai Company apki, to projects hai humare, jese main turnover hai isme humara jo projects se aa raha hai around 80-85 % is coming from the projects, to main jo projects aa rahe hai hum Bharatnet ke projects kar rahe hai jaise Maharashtra ka ho gaya, Gujarat ka ho gaya, Andaman and Nicobar abhi hum suru karenge , TANFINET hum abhi suru karenge, to isme main competitors public sector companies mein BEL participate kar raha hai, TCIL is also there, similarly Railtel is also our competitor, teen to PSUs mein aa jaate hai BEL, TCIL & Railtel and then private limited companies mein isme to 7-8 competitors hai, jitni bhi cable manufacturing Companies hai, kyunki unko isme fayda milta hai, cable unhi ko supply karna padta hai mainly to HFCL is there, vindhya tele link is there similarly polycab is there to ye to wo companiya ho gayi jo seedhe seedhe bahut aggressively pricing karti hai or cable manufacture bhi karti hai similarly starlite is there, starlite is very very aggressive in all those things similarly L&T is very largest Company and very very aggressive player or ye 5 to humare main competitor or 5 se 8 to humesha rehte hai, har competition mein 1-2 to naye competitor to kahi na kahi se or bhi aa jate hai iske bawajood bhi humne apne dekha abhi mene bataya TANFINET project that, it's a very tough project let me tell you, usme very complex project again or isme competition 8'o ke against mein tha but fortunetly jese abhi jo humne package liya hai to L1 hum nahi hai usme humara usme rate 432 crore rupees hai or L1 ka rate tha 422 crore rupees L&T ka kyuki usme unki condition aisi thi or isiliye price humne uske neeche dale bhi nahi the ki bahut neeche daalne mein fir problem aati hai to but yes, kewal 3% ka farq tha L&T mein or Hum me to these are the competitors as far as the projects are concerned, Smart City jese projects hum deal karte hai to usme bhi mainly ye saare competitor's to hai hi jo mene abhi bataya private sectors, iske alawa or bhi competitors SMART City ke jo unke apni kuch bodies hoti hai wo bhi nikal ke aati hai.

Products mein hum log HDPE Pipe, isme hum logo ka sabse accha product hai or isme hum supply bhi kar rahe hai but again isme 8-10 competitors hai humare all over Country balki jyada hi hai, bahut jyada hai balki 15-20, market mein 15-20 log bana rahe hai HDPE pipe ki machine kewal 2-2.5 crore mein lag jaati hai and return of investment is very fast to isme 15-20 competitors hai to agar aap chahenge to isme details hum apko bhijwa denge.

Similarly, Optical fibre recently we have started manufacturing isme bhi HFCL bhi bana raha hai Ploycab bhi bana raha hai iske alawa sterlite bhi bana raha hai iske alawa vindhya telelink bhi bana raha hai to 7-8 competitors hai to isme bhi aap chahenge to hum details email se apke pass bhijwa denge ki kon kon humare competitor hai.

Similarly ap apka GPON wala equipment hai usme Tejas karke ek nai Company hai, nai ka matlab hogaya 8-10 saal purani Company wo humara competitor hai emsioons hai wo humara competitor hai.

SMART Energy Meters mein bhi humare competitors hai 7-8 competitors hai to isme products mein different different products mein different different competitors hain, projects ke competitors alag hai or wifi jo banate hai usme bhi different different competitors hai so product wise humare competitors change ho jaate hai project wise humare competitors change ho jaate hai but as a whole aap dekhnege to mainly R&D mein hum kaafi kaam karte hai to R&D mein humare jo defence ke projects hai usme mainly BEL and ECIL are the main competitors, kyunki defence ka encryptor jo equipment hai wo banate hai plus defence kai jitney bhi projects hai usme kai baar wo log sirf PSUs ko hi allow karte hai jo usme ECIL TCIL & BEL are the competitors. To segment wise mein competitors change ho jaate hai.

Atma Nirbhar Bharat mein hum logo ne AMC 2.0 ka proposal jo humne ministry ko bheja tha wo already approval stage mein aa chukka hai, final approval stage mein aa chukka hai, 200 acre ki land Identify ki thi to uske tehat hum log kya kar rahe hai ki not only humko uski lease rental ka fayda milega balki humari jitni bhi humari local Companies hai ja jin Companies ka hum product yaha bante hi nahi hai un Companies ko chaahe wo Taiwaan ki Company ho chahe wo Us ki Company ho Chahe wo Europe ki Company ho. So we will try to bring those Companies in India, we will offer good space kyunki Bangalore mein jo humara land hai space hai that is a best in the Country, matlab itna accha space kahi bhi nahi hai, startup facility is there, data centre facility is there all the production manufacturing facility is there, so start up wali Companies bhi aa sakti hai or badi Companies bhi aa sakti hai to ye sab cheez ki process mein thoda sa delay hogaya in 4 mahino mein to agar agle 6 mahine mein ye hum kar lete hai to bahut si technological Companies, Manufacturing Companies Country mein ayengi unke liye ek best place hoga number 1,

Number 2 wo ayenge yaha par to unke tie-ups honge, unki Technology hogi usme bhi ITI unke saath participate karegi, kyuki India mein agar apko idea hoga to 4g or 5G is technology develop nahi ho paai hai, wo sab bahar ki Companies, to hum koshish kar rahe hai ki 4G or 5G ki technology

hum tie-up karke usko hum spne yaha banana shuru karde to aise or nai nai cheezein nikal ke ayenge jese lithium Ion Battery ki baat chal rahi hai similarly jese EVM jese maine apko bataya tha jab starting mein isme hum tie-ups kar sakte hai to Atma Nirbhar Bahart mein jo routers hai, abhi saare ke saare routers jo hai bahar se aate hai practically abhi India mein. Ye acchi, bahut acchi shuruaat hui hai, but India mein 80% communication equipment saara bahaar se aa raha hai jitna bhi humara communications mein use ho raha hai chahe wo humara routers ho chahe wo satellite equipments ho ya micro equipment hai, mostly equipment humara bahar se aa raha hai to un sabke saath technology tie-up karke hum log yaha par banana shuru kar sakte hai ye humara apna ITI ka plan hai long term vision ke liye.

To ye to ho gaya iske liye doosra to aapne ye question pucha tha ke isme dependency on the imports to yes humara import thoda sa bada hai wo isliye bada hai ki kuch humare naye projects the to jese humara enq ka project hota hai multi channel encryptor units tha jo hum defence ke liye kaam kar rahe hai to ab usme kya hota hai apko idea hoga ki ye saari chips hai, silicon hai ye yaha banta hi nahi hai, ye sab Taiwaan based hai, inki Technology bahar ki hoti hai, 100% sara ka sara, IC hai Electronics hai sab bahar se hi ata hai, to uske liye 4000 -5000 crore ka investment chahenge jiskeliye Mahaniye Mantri ji, apne purine tenure se unhone baatein ki thi, ministry of information and technology se baat karni suru kit hi, tab bhi unhone private logo ko kaafi bulaya tha wo nahi aaye the, to ism eek saath badi heavy investment ki jarurat padti hai, ussi chakkar mein jo bhi components, matlab manufacturing to hum karenge, uske jo component aate hai, material hota hai component hote hai, wo sara ka sara bahar se aata hai, jo bhi hum bana rahe hai chahe to hum Gpon ka equipment bana rahe ho 80-90 % sare component bahar se aa rahe hai, yes optical fibre hai uska fibre yah ape banta hai to no issue at all lekin jitna bhi electronics hai jaise MCEU, Gpon ka equipment ho gaya ya for that matter micro pc's ho gaye, sara ka sara material bahar se aa raha hai to isme jabtak India me wo facilities setup nahi hoti, iski koshish Government puri kar rahi hai, ITI bhi usme involve hain, to uska ye reason hai ki import bahar se kyu ho raha hai, dheere dheere karke kam hoga ye.

Fir apne ye kaha tha ki, CAPEX ki apne baat kari thi ki Rs.105 Cr ka jo CAPEX tha wo hum kyu kam kharch kar paaye to uske liye, apne ye accha point bataya hai or bahut accha point pakda hai, I will appreciate ki aap itna deep mein gaye hai kyuki apko shayad ye yaad hoga ki revival plan hum logo ka jo approve hua tha 2014-15 mein to CAPEX ka bhi hua tha usma or Operational Expenses ka bhi hua tha but Working Capital ka usme nahi ho paya tha to ab kyuki humare pass jo machinery lagi hui thi Data Centre tha ya maan lijiye manufacturing ke liye humne HDPE Pipe laga diye ya Optical fibre laga diya, Smart Energy Meter ka laga dia, Working Capital ke liye hume paisa nahi mil pa raha tha, Company me cash ki problem thi, apko mene bataya tha ki 3 saal

se profit to tha but cash based company humari nahi thi ko kahi na kahi Ministries mein ye baatein bhi hui thi unko bataya bhi gaya tha, kahi na kahi mein ye nahi kahunga ki unka approval tha, kahi na kahi humne unko inform karte hue ye e CAPEX ka portion, maanlo CAPEX to mein khada karta jar aha hu but product nahi bana pa raha hu, Pipe kharidne ki machine to lag gayi but uska jo raw material lena hai mujhe, uska mere pass paisa nahi hai to mein kya karunga uska to kahi na kahi humne us paise ko use kiya tha usme,lekin ab dheere dheere humara commitment apni Ministry ke saath bhi hai, hum isko jaldi hi jo CAPEX wala portion bhi pura karenge, jo bhi purana hai wo bhi pura karenge or jo naya hai wo bhi pura karenge,to working capital mein usko thoda sa use kiya gaya tha

Ab jo dividend ki aapne baat ki to yes dividend 2002 se nahi diya hai to mein ye to nahi kahunga ki 2020-21 ke baad hum isko de payenge, is saal ke baad mein, but definetly we will try ki next one or two years time matlab Company jab accha karegi to definetly dividend bhi apne shareholders ko dena chahegi, agle 2-1 saal mein, hum log prayas kar rahe hai, we are trying our level best ki kese hum log dividend ko dubara se diya jaaye, theek hain na.

R&D pe apne bilkul sahi baat bola ki R&D mein humara expenditure kam tha. Abhi aap dekhiye humane jitney bhi new recruits kiye hai, abhi naye officers bahar se laye hai, Army se aaye hai unko humne GM level pe R&D ka head bana diya hai. Humne 20 new officer liye hai AIEEE level pe jo young engineers hai taki woh differentt different R&D areas pe lage rahe. Jo defence ki R&D hai Algorithm par, plus 4g mein 5g mein artificial intelligence mein. Apne bahut saare ache question puche hai usme se yeh bhi acha question hai.

Toh abhi humne artificial intelligence mein, cyber security mein 20 naye officers ko R&D mein lagay hai. Jo purane officers hai unko hum production mein kahi aur use kar rahe hai. Toh R&D ko hum kafi boost kar rahe hai. Aur usme jo middle level officer ITI chor k chale gaye the , jaise ki R&D mein young engineers chahiye uske saath middle level experienced official bhi chahiye hote hai. Toh hum koshish kar rahe hai ki middle level mein unko laa sake.

Toh China ka aapne kaha tha, China ki dependency ko toh India ne bilkul ban hi kar diya hai. Toh China pe toh ab dependency khatam si ho gayi hai, toh iska jo advantage hai hum ko kaise mill sakta hai toh we are trying. EMC 2.0 jo lagana hai log humko approach kar rahe hai, hum logo ko approach kar rahe hai. Jisse ki China ka replacement hum India mein ITI ko bana sake.

Aur humare pass jo manufacturing hub hai usme nayi nayi Companies set up ho sake. Abhi toh definitely jo chiz haath mein nahi hai wo China ki Bajaye Taiwan se, USA se nikal k aarahi hai.

Lekin agle 2 saal mein ITI ek replacement k roop mein jo Chinese product hai, Electronics products hai usme nikal k aasakta hai.

Toh mujhe lagta hai ki humne koshish hi aapke saare questions ko cover kar le. toh koi agar aapka questions bacha hai toh aap bata dijiyega.

Thank you so much Santosh ji aap ne isme itna interest liya, aapne ITI ki puri annual report padi hai tabhi aap itna questions puch paye. Toh aapki Company aapke sahayog se acha karne ki koshish kar rahi hai aur usko acha kar k aapko agle saal dikahenge. Agle saal aapse fir video conferencing k through jaroor mulakat hogi agar physical meeting nhi hoti toh. Thank you so much.

Moderator:

Next is Mr Anupam Pandey.

Shri Anupam Pandey

Good Afternoon Sir. I am Anupam Pandey and I am calling from Lucknow. I am privileged to join this 70th AGM and I look forward with your opening remark that ITI will definitely touch the sky.

My question at the moment is given the financial condition of BSNL and MTNL, which have been the main customers of ITI. How you see the businesses of ITI getting impacted.

Chairman and Managing Director:

Thank you so much Mr Pandey, very good question. Let me tell you this question has come to us so many times during our interactions with investors during FPO. Yes ITI was wholly dependent on BSNL and MTNL about 5 years back or 10 years I would say. But slowly and slowly now when this BharatNet opportunity came to us, we are addressing these tenders very very aggressively. Yes some tenders are still getting through BSNL but those are not direct business of BSNL. Similarly, right now we doing business with BSNL for NFS project, I would say that is not business with BSNL, that is business with Defence Ministry. Because, project funding is being done by the Ministry of Defence. So our business dependency on BSNL has come down from earlier 90% to already 15- 20%. So I won't say much dependency is there. But whatever pending old realisation is there that

is there for which we are making all our efforts. But at the same time we cannot say that we will not do business with BSNL and BSNL is our sister concern. When ITI is improving at the same time BSNL is also trying to improve. At the same time as I mentioned earlier, we will be addressing the tender of BSNL for 4G which will be in the range of Rs 7000-8000 crore. Similarly, BSNL is coming up with new different different projects also. So yes, we will be doing business with BSNL at the same time we will take care of preserving our resources, of protecting our financials.

We cannot say we will not do business but definitely some issues are there. But Management, we will see how to protect the organisations, protect the financials at the same time increasing the turnover and increasing the business as well.

Any other query on this Anupam Pandey?

Anupam Pandey: No Sir, Thank you.

Moderator: Our third and last speaker, Ms Rashi.

Ms Rashi: Hello good afternoon to everyone. So my Dp Id/ Client Id 1208160032385497

So, my question would be so, what is the status of Company's participation in Government of India campaigns and initiatives that are ongoing?

Chairman and Managing Director: So, will you please repeat your question?

Rashi: Certainly. Sir, what is the current status of Company's participation in all the Government of India campaigns and initiatives?

Chairman and Managing Director: I think we are fully committed to whatever...

1st of all. Thank you so much for this good question, because it is pertaining to the Government and Government's initiatives.

Yes, ITI is committed to all the Government of India initiatives and the commitment and whatever is coming out in which ITI is concerned.

So, let us start from the initiative that is digital India., ITI is participating in a very, very big way in all the projects of the BharatNet projects and all the smart card project ITI is participating and that is a very big business of for ITI. Digital India is a very big business,

Similarly, Make in India is a big business, ITI is a local company, Indian Company and definitely after 20 years of time, make in India is a very good initiative.

Similarly, in Atma Nirbhar Bharat we have to be completely dependent on our Indian products. Not only make in India, but our complete dependency technology should be of us and number we should make it our label itself.

Yes, I already covered how we are going EMC 2.0, manufacturing clusters and other things data centers.

Data centers already very, requirement, and in which we are dependent on the global companies. So that is against the Atma Nirbhar Bharat.

So all the, schemes to say, all the schemes and initiatives in which ITI's requirement need to be there. ITI is fully involved, smart city projects, ITI is fully involved very aggressively.

So, nothing is given to ITI on nomination basis, let me tell you.

So whatever is being given it to ITI, is being given on competitive bidding also, even on the reservation quota given by BSNL. We have to bid competitively and at L1 also to get it so if the situations are not suitable, we do have a right to refuse it.

Whatever projects are there, whatever initiatives are, we are fully committed to the Government of India initiatives.

Rashi: Thank you so much. Thank you. Sir.

Moderator: So this is the, this was the last speaker. Now registered speaker are over we can proceed with other things.

Company Secretary:

Some questions in the chat boxes are there, so one from Mr Venkateshwara Rao, his Folio No. G000214 is a company having problems finding qualified employees? What are the measures being taken to address the problem? What measures are being taken to retain and develop high performing employee?

So one is that and the other shareholder has asked, what is the production of the company for the last year?

And another shareholder has asked what action has been taken by the Company for complying with the minimum 25% public shareholding requirements.

Director HR

Yes, because of the pay package what we are offering is 1997 scale that is one of the reason why people has left in the past.

Because of that we are having less number of technocrats now but we have taken measures and we are trying to take people from good institutes at grade 2 level and we will train them as per our requirement, infact we have started taking VRS also from middle and higher level also, so those are who are having expertise in this new technology also which we are already shorter.

Regarding retention of Employees.

It is a high performing employees motivated well define structured career plan. We have made all career plan in a well defined structure and the environment which we are providing right now is good. And so that the people should be here and the future what we are showing and what they we are growing right now will definitely motivate all the employees to be in the company, because future is seems to be bright. Thank you for that.

Chairman and Managing Director:

As far as production is concerned, so I have already indicated in the year 2019-20 around Rs. 198 crore production has taken place. And this year we target to achieve around Rs. 300 cr production during this financial year, so that is as far as our production are

concerned and as far as FPO is concerned, yes we need to meet out the minimum public shareholding requirement by 03rd August 202. So yes we are going ahead with our process and yes already empanelment of the BRLMs processes is on and we propose to finalise the our BRLMs during this month itself and then other things also going simultaneously, so yes process is on and we will do it as per the requirement of the regulator on this.

So, if there is no other question then I think the shareholders can email the company, and it will be suitable reply and in case further questions are there we will be happy to reply through email.

So, with this I think now.

I, myself and other directors, including our directors attending through the video conferencing Dr Shanmugam, Dr Sharma and Dr Vidyarthi

Mr Vidyarthi, must be thinking why I am calling him doctor because he is doctor for me But why? Because he is raising so many good questions in our board meetings and Audit committee and definitely we are always benefited by these good, good things.

And that is why our debtors and other things are getting improved. But that is why please don't be confused, so everyone is doctor whosoever is sitting in this conference room and who is putting value to the company, including our Santosh Kumar Sahab, he raised very good questions.

So, with this. Myself and all the members, board of directors sitting physically and attending it from video conferencing, stay healthy and now I request Company Secretary to proceed further with the voting requirements.

So, thank you. Thank you so much.

Thank Dr Rajesh, Thank you Dr Shanmugam, Thank you Dr Vidyarthi. Thank you so much. And thank you all My shareholders.

Company Secretary

The facility for remote and e-voting during the meeting is made available on CDSL website.

The facility for remote e-voting on the resolutions was made available from 01st December, 2020 (9.00 A.M. IST) to 03rd December, 2020 (5.00 P.M. IST).

The Cut-off date of 27th November,2020 was fixed for determining the eligibility to vote by E-voting and at this general meeting.

Arrangements have also been made for e-voting during the meeting. The voting is open now and will close fifteen minutes after conclusion of the meeting.

Members who have not exercised their votes through remote e-voting and attending the meeting now may cast their votes through e-voting link available on your screen while at same time may watch the meeting.

Shri D Venkateswarlu, Practicing Company Secretary, Bengaluru has been appointed as the Scrutinizer for E-voting.

I hereby declare the meeting to be concluded
