

**28<sup>th</sup> Annual General Meeting**

**NSDL – SoftTech Engineers Limited**

**September 27, 2024**

- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**
- Very good afternoon, everybody.
- **Ms. Priti Gupta - Whole Time Director, SoftTech Engineers Limited:**
- Good afternoon.
- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**
- I extend my warm welcome to all of you, our esteemed shareholders, our board members, employees, and all our guests joining the 28<sup>th</sup> Annual General Meeting of your company held through video conferencing and other audio-visual means. We greatly value your presence and hope all of you are very sound and healthy and are actually participating into the AGM. We are holding the AGM through video conferencing in compliance with the circular issued by MCA and SEBI and other applicable provisions of the Company Act, 2013. I do hope you are able to hear us very well, you are able to see us very well, and we hope like proceedings will go very clearly, and we'll keep meaningful interactions through this video conferencing. As was indicated, the requisite quorum for the meeting as required under Section 103 of the Company Act, 2013 has already been complied with. Therefore, I call the meeting in order and we can commence the proceedings of the meeting.
- I take pleasure in introducing our board members and other officials and before that I would like to introduce myself, I am Vijay Gupta, the founder, Chairman, and Managing Director of SoftTech Engineers Limited, your company and with me I have Mr. Sridhar, who is an Independent Director and is assisting us into various committees especially, he's also a Chairman of Audit Committee who is with us in this meeting. Mr. Sundararajan Srinivasan is our Independent Director helping us on policy decisions and also into the health of the company all the time and he's also Chairman of the Nomination and Remuneration Committee. Mr. Rakesh Singh is our Independent Director, could not join the meeting because of his wife not feeling well and he has shown that he could not attend the meeting, but he is also Chairman of the Stakeholders Relationship Committee. We wish his wife to be healthy very soon and Mr. Yogesh Kumar Desai, he is also our Independent Director, but could not join the meeting because of some other meeting clashing. He is actually having a deemed responsibility at IIT Mumbai and probably due to some other meeting coming in, he could not join the meeting. Ms. Priti Gupta is Whole Time Director and is with us in this conference attending the meeting.
- Mr. Pratik Patel is a Full Time Director. He has also joined the meeting, I welcome him to the meeting and Mr. Kamal Agarwal, CFO of your company is also with us. We're sitting

altogether here and Ms. Shalaka, I'm thankful to her because she is the major driver for this meeting and she is with us here. I would also like to welcome our auditors, Mr. Abhijeet Bhagwat, who is representing P G Bhagwat LLP and he's our Statutory auditor. He is there in the meeting and I welcome him for the meeting. Mr. Sridhar is our scrutinizer who is also present in the meeting and request from the corporate shareholder for their representatives have been received and considered in the meeting. So, I welcome all of you for doing the transactions for the meeting and since there is no physical attendance of the members, the requirements of appointing proxies is not available for this AGM. The statutory registers and other requisite documents, Auditors Reports, and Secretarial Audit Reports are available for inspections. Shalaka, you would be making it available to all the Members and also anybody who wants to look into it. This will remain available for Members inspection electronically and also if required in other way also that can be requested by the Members. Now, with this, as the announcement of welcoming the Members, I would like to present you the company's progress has been made in the year 23-24 and would like to walk it through to you the presentation. So, Shalaka, I think you can share the screen. So, I hope you all can see the screen well.

- So, Softech's 28<sup>th</sup> Annual General Meeting for the year 23-24. This is the year of growth and innovation is what we are calling at. We have made lot of strategies into it. So, I will just briefly talk about business snapshots, major achievements of the year, the innovation journey. We are actually innovators in the AEC verticals. I'd like to talk a lot about this journey and also what we have achieved in terms of innovations in 7:19 Financial updates, which are actually making the value to the investors and shareholders, definitely I would like to brief you on that and then major achievements. Achievements in terms of your company's recognition and also in terms of multiple CSR activities, which are performed and we'll give a brief outlook of what we are looking at as a future in the next three years journey.
- So, disclaimer is there. Next, yeah, so in order to like briefly tell about the company to the members who could be new to the company and have not heard about us, SoftTech is a company into the space for the last 28 years innovating products in this vertical what we call as Architectural, Engineering, Constructions, and Operations vertical. We are a team of 550 people and flagship products are being used by multiple states and the local bodies. More than 10 lakhs building permissions are issued through the civit permit now and which is actually very, very important milestones we can say in terms of achieving a breakthrough in the permitting space. Till date, we have created 7+ products and now we have started penetrating in five countries with strong presence. Our permitting space is very, very well known in the country and we have covered almost about 80% of the markets here and multiple products users are on to our platform. This is a briefing which I think most of you know, but for the new Members I thought it would be useful. So, our mission is to digitally transform what we call as Architectural, Engineering, and Construction industry.
- We wish to empower this industry with the new and new technology with the help of our mission statements which we say that we stand for innovations, integrity, sustainability, and customer centric approach. Innovations is in our DNA. We always keep thinking about new and new products and technology in this vertical. We believe that this can be achieved through keeping commitment to our transparency and trust to shareholders and to the board members and also to the public and customers. Sustainability, ecofriendly practices is what

the world is looking at and that's what we try to empower upon and our major focus is customer first. So, in order to look at the transformation strategy which we followed in the year 2023-24 and which is going to bring significant fruits in the subsequent 2-3 years is my belief and just to take you around that, the first thing which we have thought of after having succeeded into deep penetration of our products, what we have seeing is how can we explore the new markets? The new markets within the same geographies or even expanding our geographies, so that is where we have very significantly worked in the year 23-24. So, that is the discovery where we have seen what products could be useful for the different countries. We are all - we can set up our products within the same country, India. So, we have opened up multiple good opportunities like say the opportunities can scale up the business significantly like Airport Authority of India, National Highway Logistic Limited, and NHAI kind of organizations where we have our products treatment aligned to their needs to the discovery which we have made in the year and besides that geographically we have expanded significantly in terms of other countries and the new opportunities besides our existing products.

- We believe partnership is very important for the scaling of the operations. So, we have worked very significantly in terms of bringing in multiple types of partners. The sales partnership, the technology partnership, and also the development partnerships. We believe that the space requirement in this space is significant and doing everything ourselves may also not work very well because we have to move to the market faster. So, the development partners can also be very unique of the arena. But at the same time, we keep strengthening our internal developments and internal developments is significantly increased in terms of product innovations, product localization, platforms that I've talked about CIVIT as a platform. So, innovation is something within internal teams is something which we have done significantly in 23-24.
- The value realization, which is again an important aspect because see basically we have to work with the customer in terms of understanding what is that which can bring value proposition to our end users and for bringing in new technology pieces, we have done a lot of POCs especially we did one POC in Washington DC in U.S. We have done multiple other countries also and within country as well, we have used multiple other technical pieces to see that this technology can bring better values to our customers. By these learnings of POC, we come back to analyzing what could be the product announcement rules, what could be our strategy for marketing and sales.
- So, that's how the cycle keeps working and that's what we have done in 23-24 to really make us very strong in terms of global presence in the subsequent years. Next please.
- So, Key Achievements - there are basically significant achievements in terms of not necessarily I would say from the global revenues perspective, but from the business strategy for the global revenue perspective, we have got very significant achievements. So, first of all, what we are seeing as business snapshot is the processes are something where when we want to grow from one scale to the other, there are challenges which actually everybody of us know very well. So, we have really seen that how we can reform internal processes, how we can reform external processes, so that the new journey which we are looking at as a growth is something which aligns to our internal capacity building. Then of course innovation, we continuously thought of and then aligned to that with expansion. So, we have created multiple

product localizations and sales teams presence into U.S., UK, Sweden, and Asia Pacific and Middle East Region, Middle East and North African Region, and thus we have created a kind of I would say foundation for creating stores which could actually be led to the growth. Then within the existing markets also we are seeing multiple initiatives and which actually are very, very good in terms of scaling the opportunities.

- The New Markets, as I said, new markets within the same geography is what we have been working with multiple scenarios here and in this we have started working with redevelopment portals. We have started working with online TDR exchanges, and multiple other technologies which could actually scale up the offices significantly, and that's where our existing customer base can really help a lot. The international market presence is of course like one of the major goals which we are trying to set up for 2027 and in that the base is significantly created in 23-24. So, besides this people, process, and one more important event is branding. In terms of branding, we have created a completely new website which is actually SoftTech global and we have derived this website with the intention that our website should be seen by the global people not as a local company but as global presence and that's where we have also taken care of multiple languages and multiple geographical requirements into the global website and this is already launched.
- We have implemented HRMS system across the organization for performance management. We have participated to multiple industry events and multiple recognitions are also achieved through that. Next.
- Alliances wise, as I said like the partnering is very important. So, partnering if I talk about sales partnership, we have signed up an agreement with CGI. CGI is one of the biggest government technology providers in U.S. and Canada and we have signed up with them for aligning our products to their products and solutions and this is I think one of the very good achievement in terms of creating the foundation stones for going the tower of SoftTech I would say in the U.S. market especially; U.S. and Canada.
- CDCI is where we have signed an agreement with Malaysian company. It is again a very prominent company in Malaysia and working in Asia Pacific region with a very strong presence into the governments there and we are looking forward to aligning our products to their products so as to make it work over there.
- Besides that, there are technology partners, who scale at the top of it where we are kind of working very closely with them on AutoDesk Construction Cloud, how can we make our system work entirely onto the cloud along with their technology AutoDesk and Cloud is what we are working on and ESRI for GIS systems, we have tied up with SAP, we are tied up with systems and also into the digital cleaning space. Next please.
- So, if you look at next - if you look at innovations within SoftTech besides the partners where we want to connect the systems. The first and the foremost thing is, we are moving towards common data environment, a common technology portal or I would say platform where always we can connect all of our successful products and we can share the entire information of one product to other, so that the entire stakeholders of AEC community can connect to each other and we can leverage one success in the government space to the success in the private sector as well and thus we have received it as a common data enrolment would really

help significantly and in that we are working in two sites. One is the domain side where we are bringing in points solutions and values to the end users and second is the technology innovations where we are wanting to bring of course like which is there on the everyone's word now is AI. AI is something is Gen AI, GenPPT and all. We have really been very closely bringing him into our platform and IoT as a platform for census data capture and real time data capture. So, with this as a technology, we will be able to reuse the components from one product to the other product. There should be uniformity in terms of approaching the solutions complete. The scalability and the optimization is also one of the major and in fact on the top of that, there will be a sustainability aspects which actually will be taken care of by CIVIT because environment challenges are actually also our responsibility because building sector is one of the major contributor of carbon footprints. So, CIVIT actually is moving towards addressing that challenge as well. Next.

- So, as I said, AI actually is something which the entire industry is looking after. There are lot of innovations. There is a lot of like kind of talks about and AI as a technology can really help multiple sectors and AEC sector is no assumptions or no exception here. So, basically, we have started working on how AI can significantly be used by this industry to give the power to them to empower them in terms of saying that this could be a decision driven like predictability and analysis insights and 21:35 to 22:57 No Voice.

- **Mr. Suketh – NSDL:**

- Due to technical glitch, company got disconnected. They are joining in 2 minutes. Please wait. Thank you. Tech Support? Yes ma'am, mute yourself and please proceed.

- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**

- Hello?

- **Mr. Suketh – NSDL:**

- Yes, Sir. You're audible.

- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**

- Okay. Go next. Now, so AI is something we are very aggressively working on and as I said it is our responsibility to manage sustainability goals, you all know that carbon footprints is a big challenge. Net zero carbon goals are being set by multiple governments and Government of India has also set the goal for net zero carbon to 2070, but multiple European and U.S. governments are setting up goals for 2030 and actually there is a prediction that if it is not addressed, seven years down the line, we will be in a very big problem and the construction vertical especially the buildings and construction vertical is contributing significant carbon to the environment and that's where we have to work on and that's where SoftTech is committed to bring technology in this space. We have already initiated significant progress in terms of CIVIT operate as a product to manage the buildings carbon footprints and this is where our objective is to our sustainability goals.

- Energy Management now, in order to talk about financial growth, which we have achieved in 23-24, numbers wise, I'm sure you all have seen that and you have gone through the entire of

this. The revenue growth is 20%, EBITDA margin is 34%, and PAT margin is 9%. We have got revenue, the top line is 786 million, 78.6 cores and the pipeline which is set is actually very significant. So, that can be seen as a progress for next few years. So, we are definitely moving towards significant growth and if you look at the track record of last 28 years, we have unbroken profitability and growth plans. Of course, there are challenges in terms of collections because of most of the time we're working with the governments and there's a delay, but we would say that we have been making the connections also were improved by way of changing our business models as well. So, that's where the significant performance of 23-24 is, but as I said this is certainly not where we want to take to and we are looking forward to significant high growth in next three to four years. Next please.

- If you look at the revenue categories, even revenue quality, and so and so, I think the revenue bridge which we have made from 23 to 24 is by way of licensing, providing specified products, and services, and allied services, but you can see the most important part is our certified product or I would say the transaction based model has actually been significantly increasing in the pipe. So, it has increased from 22% to 27% and that's what is actually making our collections also better and the quality of the revenue is definitely improving.
- Of course, we can't change it because it's the legacy of last 15-20 years, which actually will take 3-4 years to really bring it to the level where we can say the entire of the model is towards the transitions, but yes we are moving very significantly towards that and the revenue migration if you look at last three years is actually from 19% specified products revenue to 27%, which actually is though the numbers have only changed to 20% offline increase where the quality of the revenue is definitely increasing significantly and that's where we can say the quality of the 29:02. Next please.
- The historical credentials numbers, so that actually I think you all have must have gone through in the reports. I'm just putting it as a part of the presentation compliance, but we have grown and the revenue top line is 20%. We have increased the EBITDA significantly almost on the same 34% margin, which we were there earlier to this year as well. There is profitability increment there and PBT percentage has or PAT percentage has gone up from 8% to 9%. So, year-on-year margin actually is increasing by 1% is very significant in terms of 29:53 improvement is definitely seen there.
- The revenue model as I talked about from one time product plus maintenance, we are moving towards recurring revenues, which is actually making the collections also faster at the same time it is a long-term engagement with the same customer. So, this is definitely going to have a very big impact on the quality of the revenues in the subsequent years. Next.
- So, as I said earlier our growth came from SaaS product per use is increasing significantly and that's what is depicted into this slide.
- Just a glimpse about multiple recognitions in the year. I think we have taken part into multiple events. We were given Lifetime Achievement Awards at DigiCon. DigiCon by AutoDesk actually and this is my award for innovations. We have got FICCI Smart Urban Government Award, and then SME Transformation of India by ET Award. So, there are multiple recognitions by the industry which we can see into the platform and definitely this is by way

of hard work with our people within the organization of the team, and our commitment to the customers. Next please.

- Yeah. So, there are - we participate into multiple events nationally and internationally into year 23-24 and this is where we have been able to learning also from the events and we are also able to create some kind of partnerships and taking our products which are very widely accepted into the multiple countries also.
- In terms of CSR, we have been actually participating into multiple events and that's where we have done a lot of activities in terms of charities, in terms of also research and developments. This is where we are committed to this and we will keep putting our efforts and returns back to the society that is the goal and in that direction SoftTech care is significantly wanting to work more and more on this space. We are now like we have done multiple strategy workshops also in this year and we have started quarterly reviews programs where we are participating and all the seniors are participating in terms of what should we do to improve? What should we do to scale up our operations significantly? and that's where our team is dedicated and we did a lot of strategy workshops and for the reviews to come up with better and better options as a team.
- Board of Directors, I've already introduced to all of you, like they're very learned people and are really helping. I'm thankful to all of you, Directors who are contributing to growth in 23-24 and we look forward to further. Next.
- In the future outlook provisions, if I look at the scenarios here, what we see is, there is a growth curve towards assets management, digital billing, energy management, facility management, and that's where the market size is significant and that's where our CIVIT as a platform is significant. Of course, there will be significant verification of our permitting and our ESG solutions and that's where our data sets of permitting solutions would be very significantly used for energy computations and similar other aligned services which can give us a very significant opportunity and an anticipated CAGR is also very high in this space. So, we would like to align our platform towards the market requirements and opportunities into this space.
- So, we have created a global vision, I would say Vision 2027 is to expand globally and we are very well prepared. As I said, 23-24 has created a very significant foundation for us to recognize as a leading innovator in this space in 2027. That's the goal we are setting as a vision for the company and for that we are preparing ourselves for business goals. Our business goals would be aggressive branding, revenue creation, revenue collection, quality of the revenues, product positioning where we have to strengthen our pitches, we have to strengthen the value proposition to the end users. The funding of course is one of the major requirements also where we would be looking after some more growth funds in the subsequent years for achieving this Vision 2027 and multiple tie-ups, partners tie-up, technology tie-ups, and all. Technology wise we have to have our products first of all significantly improved. We will go over multiple patents also. Technology integration is the major area and quality and I would say the user experience also would be something where we will be working very significantly. If the transformation goes, as we say that there is a stage or life or period of every organization, so we are moving from very small to small to mid to large kind of path there and best transformation goal we need to set up internal

processes also very strongly. We need to take it up and we need to drive the organization based on objective analysis of data, which is collected and for that we have bringing in performance management system, the employee performance management system. We are bringing in CRM for controlling entire of the communication with the customers and this is something where the transformative goals are being set, so that our vision 2027 can be achieved very significantly and thus with this, I think - with this, I would say we are leading the future with digital road map powered by green energy and sustainable solutions towards CIVIT as a platform and I'm wanting to Unveiling Software 2.2 in the next three years. Thank you very much and with this, I think I'm completing my presentation. It was likely was long also, but yeah I think I wanted to share my experience of 23-24 with you all people.

- Now, let me move towards procedural compliance of the meeting. In the procedural notice convincing this meeting together with standalone and consolidated financial statements and reports of the Board of Directors and reports of the auditors for the year ending March 31<sup>st</sup>, 2024 is all with you and I'm sure you must have gone through that and with your consent I consider them as read. Since, there are no material audit qualification, observations offered by statutory and secretarial auditors which have any adverse impact on the functioning of the company, I will take both the reports as read. There are no adverse comments at all in this. The company has provided e-voting facility and our shareholders have made use of that in the past few days to cast their vote electronically and therefore there is no need to propose and second the resolutions as per notices of the meetings and the same are already put forth. The board has appointed Mr. Sridhar Mudaliar as a Practicing Company Secretary, Pune, as a scrutinizer for conducting the e-voting process in a fair and transparent manner and he will submit his report within next two working days from the conclusion of the today's meeting and shall be placed on the website of the company and will be intimated to the stock exchanges where shares of the company have been stored. We have NSE and BSE 39:12 there. We will be putting this report there. Members who have not voted earlier through remote e-voting can cast their vote as the last try during the course of meeting through e-voting. You can vote anytime during the AGM while listening to the proceedings or 15 minutes after AGM is closed in respect of all resolutions contained in the notice. So, I think after the meeting 15 minutes will be available for casting the voting. Now, is the time for question and answers. So, as per AGM Notice 2 proposals are under ordinary business and 3 proposals are under special business, which are proposed for approval of the Members. In the interest of time, we have provided e-voting facility. I will not read the resolutions here because everybody must have read it. The Members are invited to express their views and ask questions and seek clarifications of the resolutions.
- The company has provided facility to the Members to register themselves as speaker shareholders and under that facility, one of the shareholders actually is wanting to be a speaker, Mr. Ankit Shah and he is registered with the company. So, I think we can request Mr. Ankit Shah to come as a speaker.
- **Ms. Shalaka Khandelwal -- Company Secretary, SoftTech Engineers Limited:**
- Technical Support, please allow Ankit Shah and please unmute him.
- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**



- Mr. Ankit, you are there?
- **Ms. Shalaka Khandelwal -- Company Secretary, SoftTech Engineers Limited:**
- Yeah. Tech support.
- **Mr. Ankit Shah – Shareholder:**
- Hello.
- **Ms. Shalaka Khandelwal -- Company Secretary, SoftTech Engineers Limited:**
- Yes.
- **Mr. Ankit Shah – Shareholder:**
- Yeah, hi. Thanks. Thanks for the opportunity to speak. I'm Ankit Shah. So, I had two questions. One is what is the next three years sort of plan in terms of what scale can we achieve in terms of revenues? The other was in terms of - so there was a transaction where a company called Einstein Work Pte. Ltd has bought shares from the promoters and all, so just wanted to get some clarity in terms of is that company a strategic investor or it is part of the promoter group? And secondly wanted to understand what is the price at which that transaction has happened? Yeah and third was in terms of - we have mentioned order book of 287 crores. So, just want to understand that this is the order book which will get recognized in terms of revenues over what period of time, next one year, two year, three years? So, that would be helpful. So, those were the three questions I had. Thanks.
- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**
- So, 3 years typically we have targeted about 42:18 So, I think we have already heard some of our futuristic projections. If I take your first question, so we are targeting about 180 crores into next years as a revenue top line and that will be aligned with our goals as such. The second question that you asked about and actually in my presentation I had given you a growth plan up to 2027. The major of this revenue increase would come from global expansions and we will start realizing the revenues from 25-26 definitely. So, that's what we are targeting as a global expansion plan.
- In terms of the investments by Einstein, it is kind of I would say strategic scenario, but of course like the person who is behind this company is not related or directly from the promoter side, but is a visionary person in terms of accelerating the business into the architectural engineering and construction domain. You can see the profiles on the net followed by him and he is actually behind the phases of multiple transformations into the construction business. So, we are looking at very close associations with them, their guidance, their help in terms of penetrating into the multiple overseas with business especially Asia Pacific and to the German market and that's where our alignment will come, and the next part is actually you asked about the question of 287 crores as the order book. So, this is the order book of about three to four years to be booked and I think because see the government orders are always of a longer duration, which is executed in three years, four years, five years' time period. So, I

would not be able to exactly tell you the complete period of all of them, but yes this is a window of three to five years. Right, Kamal?

- **Mr. Kamal Agarwal -- CFO, SoftTech Engineers Limited:**

- Yeah, yeah. On an average, it will be about 3 years because the number is the unbilled revenue that is the orders in hand, but it is not yet billed. So, some will be about two years, some will be three years. So, on average we can say it's three years on an average.

- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**

- And we hope to increase this pipeline very significantly order book, very significantly in the next two years. Hope this answers.

- **Ms. Shalaka Khandelwal -- Company Secretary, SoftTech Engineers Limited:**

- Sir, we can go ahead.

- **Mr. Vijay Gupta – Founder, Chairman & CEO, SoftTech Engineers Limited:**

- So, I think this is alright. So, now we can move to the post speaker shareholder question and answer. Our Members still can please ask your questions onto the like forum which is provided, you can have investors relationship mail ID. Please send this. Mail ID anyway. On this mail ID you can send your questions. We will be happy to answer them and Shalaka is all the time active on this mail ID for helping you out in terms of connecting very well to the company. So, that your company can be seen by you very closely. With this, I think I end this meeting. As there is no other business to be transacted and meeting is declared, I can consider this as concluded unless anybody else or team members want to like to talk about, I think the Directors. So, we can conclude the meeting now and I thank you all shareholders, the Directors, the Members for being here to the meeting and I look forward to your continuous support and look forward to your continued guidance in terms of achieving the growth path which SoftTech is setting up for the next three years and there is going to be very significant growth is what I can say. Thank you very much once again. Again, I want to remind that there is a e-voting facility. This will be available as soon as this meeting is concluded for next 15 minutes. So, if somebody has not availed the facility, please do that. Thank you very much. Thank you all.

- **Mr. Suketh – NSDL:**

- Thank you.

-

**End of Transcript**