

**Soft Tech Engineers Limited**  
**27<sup>th</sup> Annual General Meeting**  
**28<sup>th</sup> September 2023**

– **Mr. Vijay Gupta – Founder, Chairman & CEO, Soft Tech Engineers Limited:**

– Good afternoon, ladies and gentlemen. I really extend my warm welcome to all of you on this 27<sup>th</sup> Annual General Meeting of your company Soft Tech Engineers Limited. I thank you all, my shareholders and members for driving this meeting and hope you all are enjoying at your places. We are holding the AGM through video conferencing which is in compliance with the circulars issued by MCA and SEBI and other applicable provisions of the Companies Act 2013. I do hope you all are able to hear the proceedings very clearly and view us all very clearly. The requisite quorum actually for the meeting is as per the section 103 of the Companies Act 2013 is present as per the 01.26. Therefore I call the meeting in order and we can commence the proceedings of the meeting. Before I take up this, it would be my pleasure to welcome and introduce my board members and other associated officials. Before getting into anybody, I am myself Vijay Gupta, Chairman, founder and CEO of Soft Tech Engineers Limited and with me is the entire board here.

– Mr. Rahul Gupta, Independent Director and Chairman of Audit Committee and Stakeholders Relationship Committee. Welcome Rahulji and thank you for attending this.

– **Mr. Rahul Gupta – Independent Director, Soft Tech Engineers Limited:**

– My pleasure!

– **Mr. Vijay Gupta – Founder, Chairman & CEO, Soft Tech Engineers Limited:**

– Mr. Sridhar Pillalamarri is here as Independent Director and Chairman of Nomination and Remuneration Committee. Sridhar welcome and thank you for attending.

– Mr. Sundarajan is one of the independent directors. Thank you for being here.

– Dr. Rakesh Singh is.....thank you very much for being in the meeting and I welcome you here.

– Ms. Preeti Gupta is the Whole Time Director. Thank you for being in the meeting and Mr. Pratik Patel.

- So we are all joining from different places. This time, I am actually in US and Pratik is in UK. I welcome Mr. Garg for being here in the meeting and thank you very much Mr. Garg for taking the time out. He is the Nominee Director from R&B side and joining this meeting from Portugal. Please correct me if I am wrong with the place. Thank you for being here. Mr. Kamal Agarwal, he is our CFO and joining the meeting from India. Mrs. Salakha Khandelwal, she is our Company Secretary and she is joining from our Pune office. Further I would welcome my auditors, Mr. Abhijeet Bhagwat for the meeting and thank you very much for being present here. Abhijeet, I can't see your video but I am sure this is fine and auditors for compliances, Mr. Sridhar representing TTSM & Associates, Secretarial Auditor and Scrutinizer who are also present in the meeting. So welcome Sridhar. Request from the corporate shareholders for their representative have been received and considered. There is no physical attendance of the members. The requirement for appointing proxies are not available in this meeting because this is exempted in case of web conferencing. The statutory registers and other requisite documents, the auditor reports and the secretarial auditor reports are available for inspection. These will remain available for the members for inspection electronically. Also on to our website and other places. Salaka is kind of going to facilitate that. And you please go through in case you have not gone through that.
- Now actually I will take you ahead with the presentation of the company and what we have done in the past and we are in terms of growth. I would like to share my screen for the presentation. Can you all see the presentation clearly?
- **Mr. Pratik Patel – Whole Time Director, Soft Tech Engineers Limited:**
- Yes.
- **Mr. Vijay Gupta – Founder, Chairman & CEO, Soft Tech Engineers Limited:**
- Ok, great! So again, let me briefly tell you about the achievements which we have done in this great financial year 23, Soft Tech's 27<sup>th</sup> AGM. First of all, our focus in this year has been into penetrations into overseas market and in that we have been clearly making our presence feel in these places. One, most important strategic entry is, we had last year made collaboration with Tech Mahindra, which is a giant IT company based out of India and working globally and we have won World's largest Finland based construction company's order for construction processes reforms. Actually the technology where our CIVIT Built will also be used as a component for delivering the transformation into their construction processes. We have very successfully developed and delivered Proof of Concepts in Washington DC – Department of Buildings, which is actually for.... Proof of Concepts for our automated permitted system which is kind of unique in the place where we read cat fires and B Model and map to the respective building codes. We did this Proof of Concept where a set of rules were given by them and I am glad to inform you all that we have successfully completed this and based on this as a process, we are going to come up with RFP very soon.

- We have created a very strong pipeline for our products specialists in CIVIT Builds and Middle East and we hope to get our presence felt very strongly in this market. Started creating early revenues from Asia Pacific entity, our entity based out of Singapore and we have hoping a good amount of traction in the coming years. In the major, very important and strategic mails from India's side, we have started generating revenues from highly prestigious contracts for building permit systems in Maharashtra Government, targeting significant revenue in the current year which is actually a transaction based model and we assume, we would really be able to make a good revenue out of it and especially important is money will be received directly from the contracting companies or builders and real estate developers.
- We are pleased to inform that we have renewed the contract with MIDC, Maharashtra Industrial Development Corporation, which is one of the biggest industrial development corporation of India for providing our permitting solution on transaction model. We have been working with this for the last 5yrs. and after having done successful engagement with them, am pleased that they have enhanced this order for the next 5yrs. and that is something which is one of our major client as well and is also a very important client for us. We have won repeated contracts from Delhi Development Authority and New Delhi Municipal Corporations for single window permit system. These are also the clients we have been working for many years. Now they have come out with enhancing our scope in terms of creating a single window permit system wherein we are going to provide all permits besides only the construction permit which is required for permitting, NOCs and all.
- In terms of business partners success which is actually very important from especially the overseas penetration perspective, we have signed up with Tech Mahindra for the projects in the construction industry especially the transformation projects wherein we would be using our pseudo products. Besides our pseudo products, there could be a mix of services also for transformation specially, the digital train based projects. And we are in a very advanced stage of teaming with the giants in US. I would not be able to disclose this at this point of time but for the government business in United States and we would be probably white labeling out CIVIT platform, upselling with their products.
- We have signed up very recently with CDCI. This is one of the very big procurement solutions provider to Malaysia and Asia Pacific countries and we have signed up with them for our solutions, specific CIVIT solutions and building up joint marketing strategy with them. We are also participating in some of the events jointly for expanding our operations in Asia Pacific regions. Signed up partnership with Saudi Arabia based countries which is going to increase our penetration and footsteps into MENA region.
- In the long term strategic tie-ups, we have actually tied up with Mitsubishi. We have been partners with Mitsubishi for quite some time but there is a success in terms of a joint product building for especially the water management system wherein our CIVIT

will be used as a platform for connecting the water network and using IOT as a platform and taking the data from Mitsubishi controllers and SCADA systems, we would be able to manage the distribution system of the water infrastructure completely.

- We are in the process to finalize this joint product offering for global market with Mitsubishi. This is something where we are actually in strategic terms discussing out with them.
- From the product development targets point of view, CIVIT Build is something that we are going to take it up with US market, it's a SAAS ready product completely and business plan is SAAS revenue should be minimum 5mn US dollars per year, SAAS license revenue in the next 36 months. CIVIT permit and plan are being customized for complete set of rules for residential and commercial buildings for US market especially and we are in the process of integration with 3<sup>rd</sup> party complimentary products also. we will also be delivering asset for transformation management, digital twin services for energy and asset management for the buildings because building is one of the major energy consumer and we want to use our technology for our sustainability and net zero carbon initiatives of the world.
- From the investment perspective, SEL got a commitment of equity investment of 333 odd millions and we have already received part of it in this year and utilization towards enhancements and expansion in overseas market.
- Just a brief to our members and shareholders on CIVIT as a platform. CIVIT is something which we are targeting based on our existing success stories of the product for taking the entire gamut of construction industry, plan build and operate. So I will not go more in details of this but this is where our next future 3yrs. would be in terms of delivering a SAASified product as a platform for....like delivering the entire cycle of construction operations, plan, build and operate. And this offering will be actually for governments, for the real estate developers, for the citizens directly also, for the contractors, for the consultants, and other associated financial institutes as well, because there will be payment systems which are already part of our products. So, complete offering for the entire real estate, construction and infrastructure industry stakeholders, is what CIVIT is going to be on.
- I would like to bring attention these kinds of enhancements which we are doing towards our responsibilities and social responsibilities also, in terms of ESG compliance requirements and energy and management, where we are heading a product CivitOPERATE for actually enhancing and 16.52 the building data and managing it for energy management and asset management, with of course, technology like IOT being used for the entire of extraction of the data. And, BIM is something where we will be actually digital training the assets for managing the operations.

- From the services perspective, most of the services will be around CIVIT as our own product, but delivering it to the end users for final results. But, besides this, there will of course, be third-party products as well, which will be integrated with CIVIT for delivering digital twin-based Energy Modeling & Management. We have already invested into Better Life as a product for energy management in Singapore and they are doing pretty good. So, we want to leverage that as a product for part of CIVIT, and then take it ahead for energy management. Life Cycle Analysis, Net Zero Roadmaps & Green Building Certification – This is actually what is very important from the perspective of the world’s net zero carbon initiatives. So, energy and sustainability-oriented services is something which is what is targeted in the subsequent years.
- Our presence in India is definitely dominated. We are working in almost all the major states of the country with our solutions. We can see our presence, and we have to take it to the global market. So in USA, we already have been working, I’ve spoken about. In Middle-East and Singapore as well we have created teams and they have started yielding results to some extent. And, we hope in the future years, we will be able to make a good dent out of it. In UK too we have some initial good leads, and we have created a one-person team there. So, global is something which is our initiative and our target for the next 3 years, as far as expanding the operations of your company is concerned.
- We are partners with technology companies like Tech Mahindra, as I described, Mitsubishi, ESRI for GIS based integrations and GIS offerings. We are partners with IES (Integrated Environmental Solutions) for energy management for physics-based energy computation of buildings. And in fact, this is an excellent solution we have been using for energy computation services. We have created good stories in association with SAP, Microsoft and Dassault Systems, AWS, Azure and all, and this is something which we are wanting to get into. RIB has actually been associated as a partner, but 20.17. We are dedicated to empowering global clients with the latest technology.
- Just to highlight the financials, we had increase in the revenue of about 13% this year as compared to the last year. And basically, our focus is towards pay-per-use services, which is around 51%. So basically, as you know, when we moved towards classified products, sometime the topline can go down, but the revenue characteristics, revenue quality can be better, and that’s where we are targeting onto. And we are targeting that this revenue goes up and up and up in the subsequent and future years. Employees benefit expenses have increased in this year. This is fine, though of course, it is having an impact on... but at the same time, the employees are a very important parameter for the growth of a company. EBITDA margin has actually been 31% for FY23 as compared to 29%. So, this is better from the margin perspective. And, increase in EBITDA is mostly because of pay-per-use based revenue, and our expenditure on delivery has significantly reduced in that sense. So, professional consultancy and implementation efforts are also lower. PAT margin, basically is slightly lower in percentage terms, but has increased in the absolute terms. And I’m pleased to inform that the networth has crossed the 100 crore mark in this financial year.

- Just to give a glance of pay-per-use and recurring revenues, the percentage is definitely... we can see the recurring revenue wise is going to be higher. And, we have a very strong order book plus pipeline, especially in India; very strong. And I'm sure, the impact of COVID has actually been now over, and we will be able to make a very good topline, of course, keeping in watch the bottom line in the subsequent years. So, very important is revenue quality improvement, and on this we have been working very hard to improve this.
- Just to set up a roadmap for the next 3 years, as I said, we would like to expand and enhance integrated AEC vertical platform CIVIT connecting government, private enterprises and citizens. So, besides the current scenario of providing point solutions for specific stakeholders, our CIVIT will be able to take care of the entire ecosystem of the AEC vertical, is what is targeted. We have been putting a very strong effort to come out with permitting systems, in a BIM based permitting system with integrated GIS and also 3D-city experience kind of platforms. And, we wish to achieve a leadership the way we have achieved leadership in CAD based permitting systems, into BIM as well in the subsequent next 3 years. And of course, as I described, expand into global geographies, especially US, MENA, UK and APEC regions, is something which is targeted in the next 3 years very strong. And I'm pretty confident, I want to ensure that your company will be able to make a dent of it and would be able to really have a very strong presence there. I'm glad to inform that our technology is being appreciated throughout the world (especially the permitting solutions), and governments in the world are looking at this kind of technology. Our target is nominally set to 25 million annual topline, with 25% EBITDA margin, and that's the topline we're expecting.
- With this, I briefly complete my presentation, and I would like to now go towards the compliance requirements of the meeting. And for this, I think, I would just go through the agenda point. I'm sure you all shareholders must have received the notice convening this meeting, together with the standalone and consolidated financial transactions, and the Reports of the Board of Directors and Auditors for the financial year ending March 2023. I hope this is all with you, and you would've given some time. With your consent, I consider this as read. In the interest of time, it would be difficult to walk you through the detailed financials.
- Since there is no material audit qualifications, our auditor Mr. Abhijit, and there are no qualification or observations observed by the Statutory or Secretarial Auditors which could have adverse effects on your company, I will take both these reports as read and proceed further.
- The company has provided e-voting facility. I'm sure all the shareholders must have made use of it. It was on till the time that was given, and therefore, there is no need to propose and second the resolutions as per the notice of the meeting, as the same have already been put for e-voting.

- The Board has appointed DTSM & Associates, and Mr. Sridhar is here as a part of this association as Practicing Company Secretary, Pune, and they are also our scrutinizer for conducting the e-voting process in a fair and transparent manner. They will submit the report within 2 working days from the conclusion of this meeting, and this will be placed onto the website of the company and will be intimated to the stock exchange as well where shares of the company are listed. So, this is for your information.
- Also, member who have not yet availed the facility of e-voting, may please cast their votes, which will be available for up to 15 minutes after the conclusion of the meeting. And, I would request all the shareholders to cast their vote within that timeframe.
- Questions & Answers, as per the AGM notice, two proposals are put in the ordinary business, and two are under special business transactions, which are proposed for approval of the members. I'm sure you all must have gone through that. In the interest of time, we would not like to read those resolutions here, but the e-voting facility has already covered it up. Members are invited to express their views, ask questions and seek clarifications on the resolutions proposed. The company has provided the facility to member to register themselves as speaker shareholders by sending an email in advance, and that was open till Friday, September 22, 2023 from 9 a.m. IST, to Sunday, September 24, 2023 up to 6 p.m. IST. Shalala can validate this, but no speaker has requested. We have not received any email in this regard, so I will go ahead. But, I would like to mention that all members can still communicate all their points of view onto the email, and our Investor Relationship Team would be able to address them to the best possible level. You can email us any questions, if you have.
- With this, we are all set to conclude the meeting, as there is no other business transaction at this point of time. I declare this meeting as concluded. I would again thank all the shareholders, the board members, the associates and of course, my team, for being present in the meeting. Again, I would like to repeat that voting would be available after concluding the meeting, for 15 minutes. So please exercise your voting rights, if you can. Thank you very much and thank you for your time and for your patient hearing.
- ***END OF MEETING / E-VOTING BEGINS***