

TRANSCRIPT

Extra-Ordinary General Meeting of Ceinsys Tech
Limited

Monday, April 29, 2024, 11:30 AM IST

Through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**

- Good morning everyone. Dear valued shareholders, Directors, invitees, a very good morning to all of you. I, CS Pooja Karande, Company Secretary and Compliance Officer of Ceinsys Tech Limited welcome you all to this Extraordinary General Meeting of Ceinsys Tech Limited. The EGM is being conducted through video conferencing as permitted by Ministry of Corporate Affairs and SEBI vide various circulars in compliance with provisions of Companies Act, 2013 and SEBI LODR Regulations, 2015. The company has provided facility for remote e-voting. Remote e-voting was available from Friday, 26th April 2024 at 09:00 AM to Sunday, 28th April 2024 at 05:00 PM. In order to get maximum participation of shareholders at the meeting, we have provided facility for voting electronically at this meeting. This is a facility by which all shareholders who have not voted through remote e-voting will be able to vote.
- I request Shri Sagar Meghe Sir, being chairman of the company to start the meeting.

- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**

- Good morning fellow members. I, Sagar Meghe, the Chairman of Ceinsys Tech Limited welcome all the members, directors and auditors to the extraordinary general meeting. This meeting has been held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. I would like to specially thank you all for sparing your valuable time and joining us virtually. Before we start the main session, I would like to acknowledge the presence of Mr. Prashant Kamat – Whole-Time Director, Vice Chairman and CEO, Mr. Kaushik Khona - Managing Director India Operation, Dr. Abhay Kimmatkar - Managing Director, Mr. Kishore Dewani - Independent Director and Chairman of Audit Committee, Mrs. Maya Sinha - Independent Director, Dr. Satish Wate - Independent Director and Chairman of the Stakeholders Relationship and Grievance Committee, CA Dhruv Khaji – Independent Director and Chairman of the Nomination and Remuneration Committee, CA Amita Saxena - Chief Financial Officer.
- Apart from board members and KMPs, we also have key executives and senior management joining from their respective location. We also have with us Mr. Rupesh Shah on behalf of M/s Chaturvedi and Shah LLP Chartered Accountants – Statutory Auditors of the Company, Mr. Sushil Kawalkar – Secretarial auditor of the company and scrutiniser for the for this EGM. We have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of members through video conference is being recorded for the purpose of quorum. As per the circular issued by MCA and Section 103 of the Companies Act, 2013, the quorum being present, I call this meeting to order. I now request and authorize Ms. Pooja Karande - Company Secretary and Compliance Officer to provide general instruction to the members regarding participation in this meeting.

- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Thank you sir. The company has taken all feasible efforts to enable members to participate through video conference and vote at the EGM. Members may note that this EGM is being held through video conference in accordance with the Companies Act, 2013 and circulars issued by Ministry of Corporate Affairs and SEBI. The Register of Directors and KMP, the register of contract or arrangement has been made available electronically on the website of the company for inspection by members during the meeting. As the EGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence, the proxy register for inspection is not available. The company has received five requests from members within the due time as mentioned in the notice of EGM to register themselves as speakers at the meeting and we have registered them. The company had provided the facility to cast the votes electronically on all resolutions set forth in the notice. Members who have not cast their vote yet electronically and who are participating in this meeting, will have an opportunity during the meeting through the e-voting system provided by NSDL. Members can click on Vote tab on the video conference screen to avail this feature. Members are requested to refer the instructions provided in the notice for a seamless participation through video conference. In case the members face any difficulty, they may reach out to the helpline numbers.
- May I now request chairman sir to address the members of the company.
- **Mr. Sagar Meghe - Chairman, Ceinsys Tech Limited:**
- Dear members, as the notice of EGM is already submitted to all the members, I take the notice convening the meeting as read. Before we proceed, I am pleased to bring to your notice that as required in the Companies Act, 2013, the company has provided you all the facility to cast your vote electronically on all the resolution set forth in the notice. Members who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Members may please note that there will be no voting by show of hands.
- We now take up the regulation as set forth in the notice. Now let us take up the agenda items. I now request and authorize company secretary to kindly read the agenda items.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- The first item on the agenda as per notice is to pass following resolution as special resolution, which is, appointment of Mrs. Maya Swaminathan Sinha as an Independent Woman Director of the Company. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.

- The second item on the agenda as per the notice is to pass following resolution as an ordinary resolution, which is, continuation of appointment of Mr. Sagar Meghe as non-executive and non-independent director cum chairman of the company. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The third item on the agenda as per the notice is to pass following the resolution as special resolution, which is, appointment of Mr. Kaushik Khona as Director and Managing Director, India operations of the company. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The fourth item on the agenda as per the notice is to pass following resolution as special resolution. Authorization under section 186 of Companies Act, 2013. The details of the resolutions along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The fifth item on the agenda as per the notice is to pass following resolutions as an ordinary resolution, which is, approval of material related party transaction. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The sixth item on the agenda as per the notice is to pass following resolution as special resolution, which is, issue of 14,89,086 share warrants and 12,50,658 equity shares on preferential basis to certain non-promoters. The details of the resolution along with the explanatory statement have been circulated to all the members. With your permission, I would take them as read.
- The seventh item on the agenda as per the notice is to pass following resolution as special resolution, which is, issue of 16,07,429 share warrants on preferential basis to certain persons under promoter and promoter group of the company. The details of the resolution along with the explanatory statement have been circulated to all the members. With your permission, I would take them as read.
- The eighth item on the agenda as per the notice is to pass following resolution as special resolution, which is, approval of Ceinsys Employee Stock Incentive Scheme 2024. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The ninth item on the agenda as per the notice is to be passed as special resolution, which is, approved grant of employee stock options equal to or more than 1% of the issued capital of company to the identified employee under Ceinsys Employee Stock Incentive Scheme 2024. The details of the resolution along with the explanatory statement have been circulated to all members. With your permission, I would take them as read.
- The tenth item on the agenda as per the notice is to pass following resolution as special resolution, which is, approval of Ceinsys Employee Stock Option Plan 2024 for the employees of subsidiaries. The details of resolution along with

explanatory statements have been circulated to all members. With your permission, I would take them as read.

- Chairman Sir, five shareholders have registered themselves as speaker within the prescribed time. We will unmute the speaker one by one. We will take questions, comments, of all the Speakers together and thereafter the speakers have spoken, the respective officers of the company will answer. We have allotted time of 1 minute to each speaker. Speakers are requested to restrict their questions or comments to 1 minute only.
- Now our first speaker, Mr. Girish Gupta is Unmuted I request NSDL team to kindly unmute the speaker of Mr. Girish Gupta.
- **Mr. Girish Gupta - Shareholder:**
- Hello I am Audible, I have already sent my query by the email. And for the sake of the time I will not repeat this query again and again.
- Did you receive my queries or not?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Yes sir, we have received your queries.
- **Mr. Girish Gupta - Shareholder:**
- There are two or three things which I want to ask. Why we are not proposing the right issue to the shareholders? Why we are taking the preferential issue?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Sir, you are not audible. We'll take your questions. We have your questions received on mail. We'll answer to it.
- **Mr. Girish Gupta - Shareholder:**
- Two or three additional questions which I want to ask. What are the big opportunities which you are seeing in two or three sectors which you are dealing with. And you are saying that you are setting up a data centre in India. So how you will compete with the big player like....
- **Mr. Prashant Kamat - Whole-Time Director, Vice Chairman and CEO , Ceinsys Tech Limited:**
- Girish, your voice is breaking. We are not able to hear you.
- **Mr. Girish Gupta - Shareholder:**
- Are you able to hear me or not? Can you hear me now?

- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- Girish ji, your voice is breaking off and I think connectivity is not proper.
- **Mr. Girish Gupta – Shareholder:**
- Are you able to hear me or not?
- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- Your voice is breaking off.
- **Mr. Girish Gupta – Shareholder:**
- You call the next speaker, I shall reconnect.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Sir, we have received your questions. We'll answer it after all the speakers have spoken.
- I request NSDL team to kindly unmute speaker of Mr. Keshav Garg.
- **Mr. Keshav Garg – Shareholder:**
- Hello Am I audible?
- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- Ya, Mr Keshav.
- Hi. So, I have sent across my list of questions. Do you want me to repeat them again or...?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- No sir, we have received your questions. We'll answer to it after all the speakers have spoken.
- **Mr. Keshav Garg:**
- All right. Thank you very much.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- I request the next shareholder, Mr. Rahul Nitware to be unmuted.
- **Mr. Rahul Nitware – Shareholder:**

- Am I Audible? Good morning everybody. Have a few questions. First of all, I would like to know how the proceeds of the preferential allotment are to be used. Also, if it's possible, could you please let us know what you expect the rate of growth to be in the foreseeable future, you know, For the next three to four years, what will be the annual CAGR rate, growth rate, and what will be the sustainable margins. Also, what are the opportunities that you see in the data centre? If you could elaborate that in a little more detail. Because we are hearing a lot of companies are getting into data centre. So what exactly into data centre are we planning to do? Also, if you could...
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Sir, your voice is breaking. And I request NSDL team to kindly resolve the issue because the voice is breaking.
- **Mr. Rahul Nitware - Shareholder:**
- Is it audible now? Better now?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Yes.
- **Mr. Rahul Nitware - Shareholder:**
- I think the problem is at your end, you know, because the initial speaker, I could hear him properly, but you guys couldn't hear him. I think something needs to be sorted at your end. Anyways, I hope you can hear me. Should I continue?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Yeah, we can hear you.
- **Mr. Rahul Nitware - Shareholder:**
- So, if you could also explain the rationale of merger with AllyGrow, and what synergies do you expect between the two companies? And lastly, if it's possible, could you just explain where do you see the company in the next three to five years? What is your long term vision for the company? That is from my side. Thank you.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Okay Sir. Thank you.
- I request the NSDL team to kindly unmute Mr. Ananth Shenoy.
- **Mr. Ananth Shenoy - Shareholder:**

- Good morning. Am I audible.
- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- Yes, you are audible
- **Mr. Ananth Shenoy – Shareholder:**
- Firstly, congratulations on a very good year on FY 24. So I have sent my list of questions. Have you got that?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- No, sir. We have not received your questions.
- **Mr. Ananth Shenoy – Shareholder:**
- Okay, so I will read out then. There are eight or nine questions. Please give me time to finish all the questions.
 - o First question is, we are seeing significant fund infusion by promoters and funds related to the size of the company. Can you please talk about the overall opportunity we are seeing in the GIS space and what vision we have for the company?
 - o Second question is, we have a strong order book of around Rs. 800 crores, disclosed through stock exchanges. Can you please talk about the current order book for GIS? And what is the executable plan for this order book in FY25 and FY26 as per the current situation? I can understand things are dynamic and can change. But as per the current plan, what is the executable plan for FY25 and FY26 for our order book?
 - o My third question is, can you talk about the capabilities with respect to some of the listed peers like Genesis? What additional strengths, capabilities we have and where we are lacking? Specifically, Genesis has given sales guidance of Rs. 1000 crores in next three years. Given the government push in the sector, can we see similar growth rates?
 - o My next question is can you please talk about in detail about acquisition plans outside India for which we are raising funds. Will this be in the GIS space, which any specific geographies we are planning for and why the acquisition is important for the company?
 - o In the AGM we had mentioned some premium projects that we worked on like 5D, BIM and digital twin 3D, using Lidar and Drone. Can you talk about any new premium projects that we have worked on and newer capabilities we are building?

- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Sir I have received your email. I can just see.
- **Mr. Ananth Shenoy - Shareholder:**
- Let me complete anyway.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Okay.
- **Mr. Ananth Shenoy - Shareholder:**
 - And, we have started seeing some wins from international customers like Fugro. Can you talk about international deal pipelines and how the export mix in the GIS revenues will change going forward?
 - For getting these customer international customers, do we have to bid at lower rates for getting access to international customers?
 - Next question is, since we are seeing good push from government in the GIS space are we seeing any better terms from the government? In the past we had booked a lot of unbilled revenues based on milestones and also are we seeing any better terms, debtor days since government wants a lot of work done in the sector?
 - Next question is about trade receivables, which were more than one year and three years. We had Rs. 15 crore stuck in receivables for projects undertaken during COVID and we were confident of recovery. This was mentioned in the AGM. Have we recovered this? Do we have any plans to write off anything?
 - Rs. 48 crore for setting up delivery centre. So why this amount is required, Rs. 48 crore? Are we owning the property also for this?
 - It's heartening to see that our JV has gone from Rs. 4.53 crore to Rs. 7.43 crore in the nine months and we have taken related party transaction approval also for Rs. 50 crore for the JV. So can you elaborate on the opportunity we are seeing at AllyGram, why we have taken this approval and how the revenues in the JV will grow for next couple of years?
 - We have seen close to 20% margins at standalone level and we are seeing very good order book. So can we see operating leverage? What kind of margins we can see going forward?
 - At AllyGrow have you seen any new customer wins? What kind of growth we are expecting, any visibility we have in AllyGrow for the next couple of years?

- I see that we have entered into aerospace. How big an opportunity is that? Do we have any relationship with aerospace companies?
- And my last question is, we have seen some orders in the water meters installation and house service connections. How this is relevant to the GIS work we are doing?
- Thank you. These are my list of questions. I request you to answer point by point, please.
- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- Yes, sir.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Okay, sir. Thank you.
- I request the NSDL team to kindly unmute Ms. Nikita Jaju.
- **Representative of Ms. Nikita Jaju:**
- Good morning, everyone. Thanks for the opportunity. I will not repeat the questions that have already been asked. And I will ask a few important ones of my own.
 - So, sir, first, what I would like to understand is what is the thought process behind this acquisition of these 170 odd crores? What kind of capability are we trying to acquire that we lack and how will that help us in our existing business?
 - Second, is that given our business is service oriented and manpower intensive, why are we, apart from this Rs. 170 crores, why do we want to raise another Rs. 70 crores, you know? How will that be utilized? I mean, it's mentioned that for delivery centres and working capital, but given our business is mostly manpower intensive, we should not be needing so much funds to grow. So if you can help us understand why are we raising additional Rs. 70 crores? Because it will be a very large dilution. And what gives the promoters the confidence to infuse so much money into the business.
 - Second, is on the geospatial industry. We have tried to understand but it is quite a broad industry and what are the key services that we offer. Where are our strengths in this industry? Do we also do remote sensing? If not, then like the other speaker asked, what advantage do we have over more integrated peers? Some are listed, some are unlisted. And, you know, if we do data acquisition, then what kind of fleet do we have? Because that is very important to understand.

- Sir, next question is on the order of the Jal Jeevan mission we got in Maharashtra. It was of Rs. 248 crores order. This does not look like geospatial work. So, you know, what will be Ceinsys's role in this order and what are our capabilities here? And similarly, another Rs. 60 crore project we got for the Jal Jeevan mission projects in Maharashtra. So total around Rs. 308 crores. If you can help us understand what this order is really about and what is the scope of work here.
 - Sir, next is that, you know, like the other speaker mentioned, that geospatial industry is seeing a lot of growth because of the government policy. And, you know, I would like to understand what capabilities additionally are we building to cater to a wider spectrum in the industry? And what opportunity does the company see in terms of growth in the next three years?
 - Sir, a couple of other questions. One is on, what are we doing to venture outside of Maharashtra as most of our order book right now is in Maharashtra? I understand that we are situated there and we have a lot of strengths there. But apart from that, what are we doing to venture out of Maharashtra? Because there's a huge growth opportunity as well outside of Maharashtra. And sir, if you can share some of our key competitors in the services that we are very strong in and how do we either differentiate from them. Given it is a very tender driven business, I would like to understand that, you know, how do we like compete with them? And if capabilities are given more weightage over just costing or is it purely based on who can bid lower in these tenders?
 - And sir the last question is on growth and margins. What kind of growth are we expecting for the next 2 to 3 years and what are the sustainable margins in the standalone business?
- These are my questions, sir.
 - **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
 - Sir, one just question. Are you Ms. Nikita Jaju or are you...
 - **Representative of Ms. Nikita Jaju:**
 - Ma'am, I'm a representative of Ms. Nikita Jaju.
 - **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
 - Okay. Thank you for all your questions. I request the team to answer now.
 - **Mr. Abhay Kimmatkar - MD, Ceinsys Tech Limited:**
 - So hi, I'm Abhay Kimmatkar, I am Managing Director. I would answer some business questions. So this is regarding the business model, company operation

and the domain. So we are into geospatial and engineering, primarily to the AEC side of business. And we are focused in water, electrical and transportation. And we also have carried out some businesses in agriculture and other domains. About geospatial engineering what kind of opportunities have been asked and how are we progressing on the strategy. So we have a dedicated business development team, we scout businesses and we understand strategy and we build up a strategy and we track the new developments in government and accordingly we get the business. And as far as the opportunities, companies and competitive analysis and the engineering side of businesses, so there is geospatial engineering mobility and artificial intelligence. So we have different domains, we have individual domain and expertise and we create our capabilities, we adopt new technologies. And the potential, already explained that it is high and we have been cruising on that.

- So with regards to the question of government allocating huge sum of money, the land parcel development and the land digitization project. So your Ceinsys is into the digitalization of land carried on those projects and we are eyeing on those. Whenever the bids would come, we will definitely participate in this.
- One question was whether Ceinsys is diversifying itself from government to private or other segments. Ceinsys have varied domains and we have varied domain capabilities which caters to government as well as the private. So we definitely have teams and we definitely have projects which also does private jobs, commercial projects, corporate projects.
- And coming to the latest set of questions. So Ananth's question was that Genesis and the area. So Genesis is into the data capture primarily into Lidar, whereas Ceinsys does that as well as Ceinsys is also having diversified domain offerings of water, electrical and transportation. And we have varied competition with other people as well apart from Genesis. Genesis does only the capture. We are also doing the application and end-to-end kind of solution with the customer.
- And with regards to Fugro, yes, Fugro is one of the client, but we have multiple other clients in Europe and US. So we are again positioning ourselves as a global company. So, we will be getting more business in those areas.
- You mentioned government engagement whether it is it has a better returns. If we track our project properly, we definitely get good results and good returns. And receivables, have been improved. Our CFO will answer when your question or time comes.
- One question was about the house service connection, how it is related to GIS. So Ceinsys is into the development and design of hydraulic model or complete water supply schemes. So water supply schemes are overlaid on the GIS. So you need to understand water supply scheme from basic. So, once you develop a GIS platform for the development of water supply scheme, you need to do the different elements, which is the part and parcel of the delivery. So house service connection comes as a part of the delivery of the project.

- So one question from Nikita was whether remote sensing Ceinsys does? So yes, Ceinsys does a lot of remote sensing work. We have capability in understanding image interpretation for the satellite imageries, which is a primary objective or primary element of remote sensing. We also do a lot of optics and SR data imagery observation and creating land based data management on that. So a lot of remote sensing we do. We have big team carrying out data management through remote sensing.
- One question was whether JJM project comes under geospatial. Yes. So we are into geospatial and we are engineering company as well. So a lot of work we are carrying out in engineering for automation. So JJM projects, one of the project is automation. We do have a JJM project for geospatial as well. So it's an extended arm of geospatial elements. So automation is a part of deliverables, some of the end to end projects in geospatial. Outside of Maharashtra JJM Group, as you mentioned, we have a large presence in the state of UP, Haryana, we have deployed projects in NCR, Chhattisgarh. We have adequate business in the state of Karnataka as well. So we are spread across the country. Of course, Maharashtra being one of the premier state where we have got large business but of course we are spreading in other states. I think that's it from my side. Thank you.
- **Mr. Kaushik Khona – MD India Operations, Ceinsys Tech Limited:**
- Thank you for all the questions which all the participants have raised. I am Kaushik trying to address some of them. First question which I would like to deal with is, and I think there were multiple questions on that, what's the order on hand, what is the time period of execution and how do you bifurcate that. So as of the 31st March 2024, the order on hand is Rs. 650 crore plus which are expected to be executed in the next period of 2 to 3 years, majority being in the first two years. This is as on the 31st March 2024 and the new order book which will be built up will be dealt with later. There is also a question on the so called subsidy of Meg-Nxt. Just like to clarify, Meg-Nxt is not a subsidiary, it's a product development team of Ceinsys itself and we are working on how to exploit the developmental potential of this product, including with the use of artificial intelligence as well.
- There was another question on whether company can be diversifying in setting up data centres in India. We are exploring various opportunities and we will also tap this opportunity when we look at increasing the diversification and investment opportunity.
- There is a question on company issuing equity on preferential basis rather than the other modes, including rights. I would say the company has been benefited by a preferential development not only because they are benchmarked with the market price, but it also saves a lot of time as compared to any other mode of raising funds for the company. Besides, it also enables a transparent method of valuation of the equity shares. As regards if the company was to evaluate right shares, first of all, it requires time period and also normally as merchant bankers would advise, the right issues pricing is slightly discounted as compared to the

present market price and therefore the company has chosen to go with the preferential issue so that it can maximize the amount which can be available as an investment into the company. Few questions have been raised about what's the view for the next 3 to 5 years, what's the CAGR expected for the further period. I think these are more of future questions and the answers would lead to kind of forecasting the future. We would be constrained in giving such answers as we don't provide the futuristic view. But I can only assure you that the company's growth as you have already seen in the last three quarters, has been better than the earlier year and we are all committed to the better growth.

- There is a question from Mr. Keshav Gag about rationale for approving Rs. 300 crore worth of loan/investment proposals under section 186. This obviously is an enabling resolution to tap good opportunities available globally and it's also to have a window of opportunity to expand into the domain expertise which we already have and it could be actually in the nature of complementing our business.
- One question was again, I don't want to repeat about what's our future top line, so we don't give forward looking statements. Some of the questions which are repeated and I'm not venturing to waste your time. One again, the CAGR question...I'm avoiding it. There is one question about a competition in the name of Cadsys. Well, we understand Cadsys is one of the competitors who have multiple domain in wider range of services, but we are quite substantially penetrating into this business. As on the 30th September results, the quarter ended results of Cadsys which are available on the public domain, their turnover for the quarter was Rs. 14 crores and a profit of Rs. 75 lakhs and a market cap of Rs. 281 crore as we speak. So even if we assume profit at the annualized rate, I think they are much smaller than what we are and while we obviously consider them as competition, but we are substantially large in the volumes as well as the bandwidth in each of the areas which we operate.
- Some of the questions which have been raised now I will just deal, if there's something to do where I can add value. Again rate of growth, future growth I am not able to answer. The merger of AllyGrow, it's a wholly owned subsidiary. It's a business which actually supplements and complements our own business and there is no dilution. So I think it's a right strategy. That's why the Board has already taken this decision. I think I addressed those questions. I would request now the Vice Chairman to deal with the other questions.
- **Mr. Prasant Kamat – Vice Chairman, Ceinsys Tech Limited:**
- I'll try to answer some of the questions related to company as a whole, also at subsidiary level and some acquisition related questions. First question was regarding what does subsidiary AllyGrow do. So AllyGrow Technologies basically does ITES services in the design space for mobility as well as industrial segment and the competitors are L&T Technologies, Tata Technologies onwards and others in that space.
- Next question related to that about the expansion and this I think has question come up from multiple shareholders. So let me try and address that at a gross

level. It is a repetitive question regarding the fundraise. So part of the fundraise will be used for acquisition for overseas companies, specifically complementing our existing set of competencies in geospatial as well as in mobility. That's one portion of the fundraise. Second portion of the fundraise which was again a repetitive question about Rs. 48 crores for setting up delivery centre, I want to clarify this. This money is being parked, earmarked or parcelled out for delivery centres to be set up for the companies which we plan to acquire. We want to set up their back-end delivery centres in India. That's the point differential there. So just for clarification on that point.

- In terms of acquisition, this question is again come repetitively, one of the reasons for acquisition and it's related to other question also raised. As of now our revenue mix is heavily on the Indian side of the business. We would like to see a better mix and therefore we are planning to do acquisition and grow international market share in the revenue of Ceinsys.
- One of the question which was asked, what would be role of newly appointed managing director Mr. Kaushik Khona. Mr. Kaushik Khona will be responsible for all the India operations of Ceinsys. That's his role in the company.
- Next question which was asked about was third party transaction approval for AllyGrow and AllyGram and Grammer. This is an arm's length in-principle approval regarding business being done with the JV partner. AllyGram is a JV between AllyGrow and a company in Germany called Grammer. Because they are a minority shareholder, it becomes a related party and that's why this is the enabling resolution. We have been taking this resolution approved over the past few years as well.
- Question about usage of funds being raised. I just answered. Majority portion of that will be used for acquisition. Part will be used for setting up back-end delivery operations in India.
- One of the question was specific related to US geo project won by parent company and what's our export revenue share. I think the current year has shown an uptake in the export revenue of parent company, your company and I think going forward with the strategy of acquisition and going international that percentage of international revenue in the total mix will continue to increase. I think this question is repeated. I think Kaushik has also tried to answer that question. It's about future of the company, what do you see, steady state margin included. It's a forward looking statement so I don't think we'll be able to answer that in numbers. In terms of strategic directions, we have seen a stable growth over last four quarters. We would expect our momentum to continue in coming years, in both top line as well as expansion in margin. We don't see any trouble in that.
- Coming to the impromptu questions which were asked. I think rate of growth and CAGR is addressed. One of the topic which was asked by Rahul Nitware was merger of AllyGrow rationale. I think the rationale is simple. It is one of the 100% own subsidiary part of Ceinsys, having international presence. By merging, we will be able to use same management bandwidth to expand other side of the

business as well. That's the major reason for the merger of subsidiary with the parent company.

- Ananth asked about acquisition plan and why the acquisition plan, as I explained is to go internationally and do international acquisitions and why is increase the percentage of international revenue in the total revenue of the Ceinsys. This doesn't mean we are trying to dilute the focus from the Indian business. But this is a growth strategy for the company going outside and increasing that. One question was do we get better terms with government? Answer is yes. Compared to earlier projects, if we see the terms of collection, terms of receivables, we are much better in the new projects. This Rs. 48 crores about development centre I think I explained that already. Joint venture Ananth had asked the question. Yes, we are seeing a stable relationship with the JV partner and we expect this to continue at the similar growth rates going in future.
- I think Abhay addressed the question about JJM, Rs. 248 crore and whether it comes into GIS side. I think there are two things I would like to highlight from Abhay's answer. One, yes, it definitely comes in our space of operation and it is not just GIS data but we also do a lot of enterprise software. And this is a project which we have picked up for the software piece of work. The other project which Nikita Jaju's representative asked was about another project of Rs. 60 crores. Again, it is a software development enterprise, software development project in the geospatial space and that's why it comes in our space and that's why we have picked it up.
- Other questions have been already answered so I will rest here. There is one question about receivables which I would request Amita ma'am to answer. She's our CFO.
- **Ms. Amita Saxena - CFO, Ceinsys Tech Limited:**
 - There's one question on stucked debtors of Rs. 15 crores. Yes, we are confident of recovery of those debtors. Management is tracking that thing and we have recovered a substantial amount also from those debtors in current financial year. So UBR and debtors which were not moving, that has moved in current financial and we will recover the rest of the amount. So that is in track.
- **Mr. Prasant Kamat - Whole Time Director, Vice Chairman & CEO, Ceinsys Tech Limited:**
 - Thank you. Over to Pooja.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
 - Dear shareholders, thank you for joining our EGM today and for taking time to participate in today's EGM. Members may note that the voting on the NSDL platform will continue to be available for the next 30 minutes. Therefore, members who have not cast their vote yet are requested to do so. The Board of Directors has appointed CS Sushil Kawadkar, practicing company secretary as

the scrutinizer to supervise the e-voting process. May I now request Chairman Sir to conclude the meeting.

- **Mr. Sagar Meghe – Chairman, Ceinsys Tech Limited:**
- The formal business before this EGM is now concluded and I declare the proceedings as closed. I hereby authorize Ms. Pooja Karande the company secretary to declare the result of the voting and place the results on the website of the company within two working days from the conclusion of EGM. The resolution as set forth in the notice shall be deemed to be passed today, subject to the receipt of requisite number of votes.
- We had 45 members participating today in this extraordinary general meeting. I once again thank each one of you for attending this EGM today and wish you and your family members to stay safe and healthy. Have a good day. Thank you.
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Thank you.
- **Mr. Prasant Kamat – Whole Time Director, Vice Chairman & CEO, Ceinsys Tech Limited:**
- Thank you.
- **Moderator:**
- We can conclude the meeting right, ma'am?
- **Ms. Pooja Karande - Company Secretary & Compliance Officer, Ceinsys Tech Limited:**
- Yes, we can conclude.
- **Moderator:**
- Okay.

Note: The EGM concluded at 12:46 PM IST. (including the time allowed for e-voting after the EGM).

End of Transcript