

SAGARSOFT (INDIA) LIMITED

TRANSCRIPT OF ANNUAL GENERAL MEETING HELD ON 20th JUNE, 2022 AT 4.30 P.M. THROUGH VIDEO CONFERENCE (“VC”)/OTHER AUDIO VISUAL MEANS (“OAVM”)

Moderator: Sir, as the quorum is present, you can start the meeting sir. Thank you.

Mr. Raja Reddy (Company Secretary): Dear Shareholders, Good Evening, I welcome you all to this 26th Annual General meeting of the Company which is being held virtually due to prevailing pandemic conditions. I thank you for participating in this meeting in spite of your other pre-occupations.

I would now request to Chairman to preside over this shareholders' meeting in accordance with the Article 64 of the Articles of Association of the Company and conduct its proceedings, after introducing other members of the Board.

Mr. Sreekanth Reddy (Chairman): I have great pleasure in welcoming you to this 26th Annual General Meeting of the Company convened electronically through the Video Conferencing mode. I hope you and your family members are safe and in good health.

In view of the prevailing situation across the country due to the outbreak of the COVID 19 pandemic, the Ministry of Corporate Affairs has permitted the companies to hold their AGM through Video Conferencing and Other Audio Visual Means and has also allowed companies to send Annual Reports and the Notice convening the AGM electronically.

Considering the health and safety of all our stakeholders, and in particular, the shareholders. This 26th AGM of the Company is being conducted through Video Conference to avoid the physical presence of members at a common venue. The soft copy of the Annual Report for the year 2021, 2021 -22 has been sent to all the Members holding shares in dematerialized mode and whose email addresses are available with the Depository Participants as well as to all the Members holding shares in physical mode whose email addresses are registered with the Company and the RTA for the communication purposes.

As the requisite quorum is present, I now call the meeting to order.

The Register of Directors and the Key Managerial Personnel and their shareholding, the Register of Contracts or arrangements in which the Directors are interested and the other documents mentioned in the Notice convening this meeting will be available for inspection by the Members. Members seeking to inspect such documents can contact the Company Secretary Mr. Raja Reddy.

As mentioned in the Notice convening the meeting, since the meeting is being held electronically. The proxy-related procedures have been dispensed with, which is in line with the regulatory requirements.

Let me now introduce the Directors and Auditors of the Company attending the meeting.

So we will request each of you to be there. So, Mrs. Neelima Kaushik [Namaskar], Mrs. Keerthi Anantha [Namaskar], Mr. Harimohan [Namaskar], Mr. Ramananda Rao [Namaskar], Mr. Venkat Ramana [Namaskar], Mr. Satish Chander Reddy [Namaskar], Mr. Roopesh [Namaskar], Mr. Jagadeesh, the Managing director [Namaskar], Mr. Pradeep Kumar Reddy, Executive Director & CFO ([Namaskar] and Mr. Raja Reddy, the Company Secretary [Namaskar].

Our Statutory Auditors, T Mohan and associates represented by Mr. Mohan [Namaskar] also Mr. Praveen Warriar of Walker Chandiook & Co LLP, our proposed auditors to be appointed, which also is part of the Grant Thornton group also joined from his location.

Mr. S. Srikanth of BSS & Associates, Secretarial Auditors as well as the Scrutiniser for the e-voting process has also present along with us.

Your Company, by virtue of being a listed Company, is required to provide e-voting facility to its shareholders. Voting by show of hands is no longer permitted. The Company has engaged the services of KFin Technologies Limited to provide the facility of remote e-voting to all its members to cast their votes on all the businesses contained in the Notice. Voting will be in proportion to the shares held by the members as on the cut-off date, being 13th June, 2022.

In line with the regulatory requirements, remote e-voting facilities on the KFin's e-voting platform has been provided to the members of the Company for four days starting from 16th June, 2022 till 19th June, 2022. This module was disabled for voting by the KFin thereafter.

As mentioned in the Notice, convening the meeting, for such of those members, who did not or could not avail the remote e-voting facility, the Company is pleased to provide the facility to cast their votes electronically during the AGM on all the proposed resolutions through KFin's Instapoll mechanism. The Instapoll facility will be activated at the end of the meeting. Members can avail this facility and cast their votes on the resolution proposed in the notice. Let me reiterate that this facility is available only to those members who have not cast their votes through remote e-voting facility provided earlier by the company. In case any member has already voted, in the remote e-voting, he or she will not be able to cast his or her vote again through Instapoll.

The Board has appointed BSS and Associates, Practicing Company Secretaries for scrutinising e-voting process in a fair and transparent manner. Once all of you have cast your votes, the votes will be counted by the scrutiniser. They will then unblock the results of the remote e-voting, which will then be consolidated with the results of the voting done today during the meeting.

The voting results along with the scrutiniser's report will be communicated to the Stock Exchanges within two working days of conclusion of the e-AGM and the same will be placed on the website of the Company and on e-voting platform of KFin.

So let me start my speech.

So I am pleased to extend a warm welcome to all the shareholders of the Company and their representatives who are attending this 26th AGM of your Company, it is always a pleasure to connect with you all, though it is virtual.

On behalf of the Board of Directors of Sagarsoft, I want to thank you for making the time to join us. Your trust and support over the past 26 years have given us the confidence to push ourselves past challenges and complexities, to deliver consistent returns and value for you.

Annual Report of the Company for the Year 2021-22 containing the audited standalone and consolidated financial statements of your Company for the year ended 31st March, 2022 together with the report of your Directors and the other mandatory reports for the said year has been with you for quite some time. Instead of repeating which has already been covered under this report, I would rather like to share my views on the current scenario, this is relevant to you and your Company.

Company's performance.

During the year, your Company earned revenue of Rs. 4,926.46 Lakhs as against Rs. 4,102.58 lakhs in the previous year, registering an increase of around 20%. Earnings before interest, tax, depreciation and amortization was at Rs. 959.45 Lakhs against to Rs. 941.51 Lakhs in the previous year. The Profit after tax for the year was at Rs. 524.49 Lakhs as against Rs. 535.02 Lakhs in the previous year.

Further details of your Company's performance in the year 2021-22 have been provided in the Annual Report for the said year.

An important milestone during this year has been the acquisition of IT CATS, LLC, USA with the approval accorded by the shareholders in the last AGM, Your Company has acquired 100% stake in IT CATS, LLC, USA for a consideration of Rs. 16.06 Crores by allotting 6,32,238 equity shares on preferential basis, at issue price of Rs. 254/- per equity share that is the "Swap Shares".

The consolidated accounts consist of accounts of Sagarsoft in the IT CATS LLC, USA which was acquired on 26th July, 2021.

With the approval accorded by the shareholders in the last AGM, your Board allotted 2,00,000 equity shares at a price of Rs. 254 each on the preferential basis to promoter and non-promoter group. The proceeds will be utilized to fund the future acquisitions and for other general corporate purposes.

Now specifically commenting on the future outlook, we are seeing signs of recession creeping in or already underway, driven by inflationary pressures in our primary market which is USA. It may lead to reduced IT spending and the IT market contraction. In addition to this, the increased resource costs in India driven by high demand for the last two years may have an impact on the top line and the bottom line of the Company in the current financial year. We are proceeding cautiously so that we can tide over any crisis due to looming recession in our core markets. Having said that, we do have a good pipeline with some of the newer clients

who can be termed as recession proof and think we can balance out any budget cuts with our existing clients.

I wish to place on record our appreciation of the valuable co-operation extended by all the Investors, Clients/Customers, Vendors, Bankers, Regulatory and Government authorities and the Business Associates for their continues support.

I also take this opportunity to place on record its appreciation of the contributions made by its employees at all levels and last but not least, of the continued confidence reposed by you in the management.

Before I conclude, I would like to thank shareholders for their continued trust and the confidence in the management of the Company.

I am sure many shareholders would have already excised their voting through the process of remote e-voting and I request those who have not done so, to exercise their voting by making use of the facilities made available in this meeting.

Thank you all again for the participation in this meeting and for your patient hearing.

Thank you. So, Raja Reddy, can we continue with the passing of the resolutions? Or you would want to take questions first and then.

Mr. Raja Reddy: First we would pass the resolutions then we can take the questions.

Mr. Sreekanth Reddy: Okay.

So dear shareholders, the notice dated 20th May, 2022 convening this meeting has already been circulated as part of the Annual Report for the financial year ended March 31st, 2022 and with your permission, I shall take the same as read. The Auditor's Report on the financial statements of the Company does not have any qualification or observations or comments on the financial transactions or matters as having any adverse effect on the functioning of the Company. There are no qualifications, observations or comments in the Secretarial Auditor's Report too. Accordingly the reports are not required to be read out in the meeting. The Notice of the meeting contains 12 resolutions seeking approval of the shareholders, gist of which as I would read.

As ordinary businesses, the first resolution would be for the adoption of the audited standalone and consolidated financial statements, Report of the Directors and Auditors thereon for the financial year ended 31st March, 2022. The second is for the declaration of the dividend of Rs.3/- which translates 30% per equity share of Rs. 10/- each for the financial year 2021, Sorry 21-22. Reappointment of Sreekanth Reddy as a Director liable to retire by rotation. Fourth is, reappointment of Shri. K Satish Chander Reddy as a Director liable to retire by rotation. Fifth to appoint the Auditors of the Company and to fix their remuneration.

Now as special businesses, the sixth Re-appointment of Shri. M Jagadeesh as Managing Director of the Company. Seventh is Re-appointment of Shri. K Pradeep Kumar Reddy as whole-time Director of the Company, eight is appointment of Shri. K Roopesh as Non-Executive Director of the Company. Ninth is Appointment of Smt. Keerthi Anantha as an Independent Director of the Company, Tenth is appointment of Shri. K V Ramananda Rao as an Independent Director of the Company, Eleventh is appointment of and Shri. V Venkat Ramana, as an Independent Director of the Company, Twelfth is the appointment of and the remuneration payable to Shri. K Roopesh as President of IT CATS LLC USA, a wholly-owned subsidiary of the Company.

The explanatory statement in respect of the above proposals wherever applicable have been provided in the Notice of the meeting.

I now request the moderator to facilitate the shareholders who have registered themselves as a speakers to speak/raise clarification regarding the accounts and the operations of the Company during the year 2021-22 in the sequence of their registration. In the interest of time and with a view to give adequate opportunity to all, I request members to be judicious in time and restrict the same to three minutes each. We will hear all the queries first after which I will be pleased to give my responses to your queries in a consolidation or have them answered by my colleagues. Thank you.

Moderator: Thank you, sir. So, we will proceed with the question-and-answer session. Total 19 speakers got registered today and on the registration basis first come first serve basis. The first speaker is Mr. Keshav Garg from Ranchi, we request Mr. Keshav Garg from Ranchi to unmute yourself, switch on your camera and speak, please. Keshav Garg जी आप बात कर सकते हो।

Mr. Keshav Garg: Sir, yes, I hope my voice is clear.

Moderator: Yes sir, your voice is clear, and your video also is clear. So, you can proceed, sir.

Mr. Keshav Garg: Sir, so, I first wanted to thank you for providing me this opportunity and wishing you best of luck and I also wanted to congratulate you for a very attractive acquisition done at around 500 times earnings and sir, I also wanted to congratulate you for hiring a very reputed auditor and sir, now, my questions are as follows: Sir since, FY 18, our operating profit is planned at around nine crores. Sir, this is a standalone operating profit. So, sir, if you could just shed some light why is this and sir, why our operating margins are declining? Our standalone operating margin declined to 17% from 21% last year and sir also secondly, wanted to understand sir, that in the fourth quarter of last year, we did a consolidated operating profit of 3.8 crore and a net profit of around two and a half crore. So, on a quarterly basis do you think that this is a sustainable number that we can do going forward or you think that this is unsustainable and one-off? Sir also Sir, our data days are continuously increasing and now the standalone data days are 98 and consolidated is 120 days. So, I think among all IT companies, this is amongst the highest. So, so, is there any scope for this number reducing going forward and sir, we have extended loans to our group companies, some R V Consulting Services of around eight over eight crores. Sir, so, now the company has a consolidated cash balance of around 30 crore which is 1/3 of our market capitalization. Sir, so, if we can use this

cash to do a share buyback and if we can extinguish our shares, so, all the future growth can get divided on a smaller number of shares and our EPS and dividend per share can increase permanently going forward. Sir, so, I kindly request you to please take back these loans and do a share buyback. Sir, also wanted to understand about the client considerations. Sir, I understand that few years back our largest client used to contribute around 60% of our revenues. Sir so, what is the status now, about this client concentration? And sir, also wanted to understand sir, that this financial year FY 23, sir, what kind of top-line and margins we can expect the company to do on a consolidated basis? Sir, lastly, wanted to understand about the attrition that we are facing and sir also whether we are recruiting more people and also whether we have given any wage hike or what kind of wage hike can be expected this year and sir finally sir rupee has been depreciating. So, do you think that can basically set off the wage increase pressures and so that is all and thank you very much and best of luck.

Moderator: Thank you Mr. Keshav Garg. We will move on to the next registered speaker Mr. Kamal Kishore Jhawar from Hyderabad. Mr. Kamal Kishore.

Mr. Kamal Kishore Jhawar: Hello, मेरा आवाज़ आ रहा है Sir? Hello.

Moderator: आप का आवाज़ आ रहा है sir.

Mr. Kamal Kishore Jhawar: Okay, thank you. Thank you sir. Sir, Chairman sir, Managing Director, all directors को मेरा नमस्कार। आज भी आपने last year जैसे video conference है तो बहुत अच्छी बात है। Every year video conference रखिये sir. हम जहाँ भी रखे sir आपकी meeting attend कर सकते हैं। यह video conference बहुत अच्छा है हमारे लिए, सबके लिए और another जो state से बात करते हैं उनका भी information आप को भी मिलता है और हमारे को भी मिलता है, नया बात सुनने को भी मिलता है। Thank you sir. और sir आपने, अभी market का sentiment अच्छा नहीं है फिर भी आपने last year जो company takeover करी 254 में तो हमको बहुत खुशी की बात हुई। Sagarsoft is the best Company. So, उसके बाद हमारा share price 300 के above गया और आज market का sentiment अच्छा नहीं है फिर भी हमारे को पूरा होप है कंपनी में हमें बहुत अच्छा share मिलेगा। आज today is 140, 145 share. और last year 25% से अभी 30% हमारे को dividend मिला है। Last year से 5% increase हुआ है, बहुत बड़ी खुशी की बात है। Every year ऐसे dividend में कम से कम उन्नती हो तो बहुत अच्छा है। Market अपना share market capital भी बहुत small है। इसमें management को बहुत फायदा होता है small investor को बहुत फायदा होता है, dividend के लिए और सर आगे हमारा 2022-23 hopeful हमारा turnover कितना होसकता है, margin और profit कितना आसकता है? Last year से हमारे को 20% increase हुआ profit में, जो हमारे Sreekanth साहब चेरमैन साहब और हमारे Jagadeesh साहब की मेहनत से हमारा 20% increase हुआ है dividend का भी फायदा हुआ है। आज हमारे को group में full confidence है सर, वो market में भी बहुत news है हमारे को की Sagarsoft का share लेके भूल जाओ, आगे future में बहुत अच्छा return मिलेगा। हमारे को बहुत confidence है और मैं ये कंपनी में आप भी पहचानते हैं की हमारा IPO खाली only HSE listing था जब से मेरे पास शेयर्स है, बाद में शेयर्स खरीदा, बेचा, आपके शेयर्स में अच्छा बेनिफिट मिला है और अभी भी हमारे को कॉन्फिडेंस है हमारा शेयर प्राइस कम भी हो गया है तो हमारे को कोई घबराने का नहीं है, आगे फ्यूचर में हमारे को बहुत अच्छा मिलेगा। और सर हमारा नेक्स्ट Mr. Srikanth, BSS साहब को भी नमस्कार करता हूँ, इनका भी सर्विस बहुत अच्छा है और सेक्रेटेरियल डिपार्टमेंट ने भी हमको कभी भी कुछ प्रॉब्लम है, हम फ़ोन पे

कुछ बात करना चाहते है, क्या है, हमको इनफार्मेशन पूरा, सलूशन मिल जाता है तो मैं सेक्रेटारल डिपार्टमेंट की बहुत बहुत बढ़ाई देता हूँ। Thank you sir.

Moderator: Thank you very much Mr. Kamal Kishore Jawar. Next, we will move on to the next speaker, Srikanth Jhawar, we request Mr. Srikanth Jhawar to unmute yourself, switch on your camera and speak please.

Mr. Srikanth Jhawar: Hello.

Moderator: हम सुन सकते है, आप बात कीजिये ना प्लीज।

Mr. Srikanth Jhawar: Respected Chairman, all of Board of Directors को धन्यवाद जो हमारा third time video conference से meeting attend हो रहा है, sir आप जो acquisition कर रहे है USA base का, वो acquisition करने के बाद अपने कितने Clients new join हुए? उसके बारे में थोड़ा जानकारी दीजिये सर और सर थोड़ा जैसा लास्ट 4 इयर्स बैक या 5 इयर्स बैक जो हमारा फिजिकल मीटिंग हुआ था गोलकुंडा में एक इन्वेस्टर आया था जो recommendation था की NSE listing कराने का कुछ प्रपोजल रखिये उसमें क्या है सर की लिक्विडिटी भी बढ़ेगी और new म्यूच्यूअल फंड्स हमारेको भी कुछ जानकारी मिलेगी और आपको भी कुछ मिलेगी सर और सर यूक्रेन पे क्या अटैक हुआ उसका। रूस और यूक्रेन के बारे में, जो बिज़नेस पे उसका क्या एफेक्ट हुआ उसके बारे में थोड़ा जानकारी दीजिये सर, बिज़नेस के लिए। Thank you sir.

Moderator: Thank you Mr. Srikanth Jhawar. Next, we will move on to Mr. Suresh Chand Jain. Mr. Suresh Chand Jain from Hyderabad.

Mr. Suresh Chand Jain: आवाज़ आरहा है सर?

Moderator: आपका आवाज़ बिलकुल आरहा है सर, आप बात कर सकते हो सर।

Mr. Suresh Chand Jain: आदरनिए चेयरमैन सर, उपस्थित सभी डायरेक्टर गन और शेयरहोल्डर साथियों, सर आपने जो कंपनी की रूप रेखा हमारे सामने राखी बहुत ही सुन्दर और सरल शर्बों में जो हमारे सामने रखी, हमारे हमें बताया गया उससे सुनकर बहुत ही खुशी हुआ। सर, उसके लिए आपको तथा आपके टीम को मैं बहुत बहुत बहुत धन्यवाद देता हूँ। Sir, हमारा ब्रोकर कहा रहा था की अगर आप अगर चाँदी देके भेजखार हाथ Sagarsoft लगाएंगे तो कल के दिन में उतना ही सोना मिल सकता है। 3 साल का wait करो तो आपको बिलकुल सोना मे। अगर कंपनी नहीं दी तो मैं देदूंगा वैसा बोलके बोल रहा है। जिसके वास्ते मैं आपसे परमार करता हूँ की अपनी कंपनी परसो 300 तक जाके फिर डाउन होगया फिर वापस क्यूंकि हमें पूरा भरोसा है और सर, मैं सर सागर सीमेंट से इस कंपनी के अंदर आता हूँ और अल्लोत्मेंट के

शेयर मेरे पास है सर और मुझे खुशी है की आपने वीडियो कांफ्रेंस रखा है। मैं तीन दिन के नीचे नां देड़ गया था, ट्रेन बंद होने के कारन मैं नां देड़ में ही अटक गया और मैं हैदराबाद आ नहीं सका, वीडियो कांफ्रेंस रहने से कंपनी की जो जानकारी हमें प्राप्त हुई उसके लिए मैं आपको तथा आपके टीम को धन्यवाद देता हूँ तथा अपना सिल्वर जुबली के समापन के शुभ अवसर के ऊपर मैं आप लोगो को बहुत बहुत बढ़ाई देता हूँ, सिल्वर जुबली बहुत ही शानदार हमें देखने को मिला है और कंपनी के अंदर हमें 4 पैसे के 4 पैसे हमें प्राप्त भी हुए है और अभी भी मेरे पास अच्छी क्वांटिटी के शेयर है और इस कंपनी का मैं सागर परिवार के अंदर मैं कही सालो से जुड़ा हुआ हूँ और हर किसीको किसीसे जान पहचान और आपका जो प्रेम है उसको देखते हुए मैं आपके साथ बात करने का मुझे शुभ अवसर मिला और आपने जो मुझे शुभ अवसर मुझे दिया उसके लिए मैं आप लोगो को धन्यवाद देता हूँ और 2 लाइन मैं बोल रहा हूँ सर। विश्वास होना बहुत अंतर है, आपके साथ हमारा जो विश्वास है वो बहोत नीजी है। जो आपके साथ हमारा विश्वास है वो निजी है और धारना सामाजिक है और इस्सलिये मैं चाहूंगा कि मनुष्य में सागर जैसी शक्ति की कमी नहीं होती, संकल्प की कमी होती है और हमारा संकल्प है ये कंपनी हमें आगे चलके फ्यूचर में हमें बहुत कुछ हमें सागर जैसे गहरायी तक हमें पोहोचने का हमें शुभ अवसर मिलेगा और अपने जो टाइम दिया उसके लिए मैं धन्यवाद देते हुए मैं अपने विचारों को समाप्त करता हूँ। बहुत बहुत बहुत धन्यवाद सर।

Moderator: Thank you very much. बहुत बहुत बहुत धन्यवाद Suresh Chand Jain. Now we will move on to our next registered speaker Sajeeda Begum from Hyderabad. Sajeeda Begum जी आप unlock करके अपना video चालू करके आप बात कर सकते है।

Unknown speaker: Hello sir, can I speak sir?

Moderator: No sir, no, no, no. I will come one by one. Sajeeda Begum, you can. As there is problem with Ms. Sajeeda Begum, we will move on to the next speaker, Afzal Ur Rehman Sufi Mohammad. Afzal जी, Mr. Afzal. As Mr. Afzal also there is a problem and another speaker Sajida Begum has registered twice. So, she is a problem so we will skip that and we will move on to.

Mr. Abhishek: This is Abhishek sir, I have joined...

Moderator: Mr. Abhishek, Mr. Abhishek we will call you once your turn comes. There are total 19 speakers sir. So, one by one we are calling just be patient for some time please. So, now we will call Mr. Wali Ur Rahman Sufi Mohammed, Mr. Wali Ur Rahman Sufi Mohammed जी आप mute पे हो सर आप unmute करके बात कर सकते हो सर अभी।

Mr. Wali Ur Rahman Sufi Mohammed जी। Okay, as there is no response from Mr. Wali Ur Rahman जी, we will move on to the next speaker Shujath Ali Khan. Mr. Shujath Ali Khan जी आप unmute करके बात कर सकते हो जी अभी।

Mr. Shujath Ali Khan: Yes

Moderator: Yeah, we are able to hear you Sujaat जी, you can speak.

Mr. Shujath Ali Khan: Hello, hello.

Moderator: हाँ आप बात कर सकते हो सर।

Mr. Shujath Ali Khan: सुनाई नहीं आ रहा मेरेको। I am unable to hear.

Moderator: We are able to hear you sir. You can ask your question, please. Shujath Ali Khan sir.

Okay as there is a problem with Mr. Shujath Ali Khan, we will move on to another speaker Zarafath Ali Khan. Mr. Zarafath Ali Khan जी।

Okay as there is no response from Mr. Zarafath Ali Khan, we will move on to next speaker Shabanath Ali Khan. Mr. Shabanath Ali Khan जी।

As there is no response from Mr. Shabahat Ali Khan, we will move on to next speaker Mr. K. Bharat Raj. Mr. K. Bharat Raj, you can unmute yourself and speak, please. Yeah.

Mr. Bharat Raj: Yeah, very Good evening, Mr. Chairman, entire Board, Board of Directors. First of all, I am happy to see you all safe, healthy and fine, Mr. Chairman and entire board of directors. I thank the management for the wonderful annual results and the reports are my company regularly paying the dividend I am very happy the way you are giving dividend sir. Sir, in this pandemic also you are taking care of all employees. I am very happy sir. Sir, what is the total strength of our employees, sir? What is the average cost of my employees? That is my first question, sir. And in this revenue also my company is providing CSR programme Sir, I am very happy sir. Keep it up. Yes. The CSR is a very part of our company sir. Sir, in the future coming years, can we expect the increase of the dividends? Dividend part? Can we expect next year 5 rupees or above that dividend sir? Sir, recently were taken acquisition sir, any other acquisitions in the pipeline in the coming financial year? Regarding this Russia and Ukraine sir, what is impact on the European business sir? Any impact on the European business? And regarding we are very much serious in the US market sir? Any plans in the motor expansion in the US market? That is my question, sir. And I thank my secretarial department, Mr. Raja Reddy is always accessible to our company sir. Whatever the issues are there, he is ready to solve that. Once again under the leadership of Mr. Sreekanth Reddy, I am very proud of you, sir. Please keep it up. Yes, definitely my company and then the next level in coming years, entire Board of Directors all the best for the coming years. God bless you all. Thank you very much.

Moderator: Thank you, Mr. K. Bharat Raj. We will move on to the next speaker Mr. Mohammad Anwar Ur Rahman Sufi. Mr. Mohammad Anwar Ur Rahman Sufi.

As there is no response from the shareholder, we will move on to the next speaker, Badri Vishal Bajaj. Badri Vishal Bajaj.

Okay, we will move on to the next speaker Bharat H Shah. Mr. Bharat H Shah, you can unmute yourself and speak please.

As there is no response from Mr. Bharat H Shah, we will move on to the next speaker Redappa Gundluru. Mr. Redappa Gundluru, you can unmute yourself and speak, please.

Moderator: Hello. మీరు మాట్లాడచ్చు అండి Redappa garu. మీరు మాట్లాడచ్చు. You can ask questions, please.

Mr. Redappa Gundluru: Hello.

Moderator: Yeah Redappa garu, we are able to hear you, sir. You can speak.

Okay, as there is problem with Redappa Gundluru, we will go back to him once again. We will move on to the next speaker Mr. Praful Chavda, Mr. Praful Chavda, you can unmute yourself and speak, please. In case if you are able to switch on your camera, please switch on the camera as well.

Mr. Praful Chavda: Yes sir. आवाज़ आरही है sir मेरी?

Moderator: बिलकुल आ रही है सर, बिलकुल आ रही सर, आप बात कर सकते है।

Mr. Praful Chavda: Thank you, sir.

Moderator: Yeah, yeah.

Mr. Praful Chavda: Sir, खास तौर पे मैं Sreekanth sir को धन्यवाद देता हूँ की continue 5 years से dividend बढ़ते बढ़ते बढ़ते देते जा रहे हो। ये साल 30% दिया। कोरोना के टाइम पे पूरे वर्ल्ड में बिज़नेस कम हो रहा है, आपने अच्छा बिज़नेस करके पूरी टीम ने अच्छा काम किया। और साथ में ये कहना चाहता हूँ की ये साल ये मीटिंग में 4 नए डायरेक्टर अप्पॉइंट हुए है। तीन डायरेक्टर, एक मैडम। तो K. Roopesh, Smt. Keerthi Anantha, Ramanand sir, Venkat Ramana sir, चारो को वेलकम करता हूँ। और आशा करता हूँ की आपकी एंट्री हमारे कंपनी के लिए बहुत फायदेमंद रहेगी, अच्छी रहेगी, कंपनी को अच्छा बेनिफिट मिलेगा और आपके नॉलेज का कंपनी को बहुत बहुत बेनिफिट रहेगा। बहुत सी ऐसी कंपनी है की एक साथ चार नहीं अप्पॉइंटमेंट होती है तो आपका अप्पॉइंटमेंट हुआ उसके लिए बहुत बहुत धन्यवाद सर। सर, अपने कंपनी में 2 banks है, एक Axis bank है, HDFC bank है। तो मेरे को ऐसा लगता है की, 2 के बदले 4 bank करना चाहिए। आज कल कौनसी बैंक बंद होजाती है, कौनसी बैंक में प्रॉब्लम आजाता है, कौनसी बैंक का डायरेक्टर या कुछ ऐसे लोन दे देते है या कुछ भी काम होजाता है तो पैसे रुक जाते है तो ऐसा नहीं होना बोलके बैंक्स बढ़ाने चाहिए। सर, कंपनी कंटेन्यू अच्छा काम कर रही है तो इसके लिए तो बोर्ड ऑफ़ डायरेक्टर्स को मैं धन्यवाद देता हूँ और खास तौर पे सर, कंपनी सेक्रेटरी डिपार्टमेंट भी अच्छा काम कर रहे है। सर, एक बात है की, कंपनी Karvy को छोड़ देना चाहिए सर। Karvy बहुत प्रॉब्लम करता है, Karvy से कोई response नहीं मिलता है। आज भी मैं जो आपके सामने स्पीकर के तौर पे भैठा हूँ, वो अपने कंपनी सेक्रेटरी सर के हिसाब से भैठा हूँ नहीतो मुझे चांस नहीं मिलता था। कौनसा एकाउंट्स ब्लॉक

होजता है, कौनसा एकाउंट्स क्या होजाता है। Karvy में प्रॉब्लम है और वो लोग response नहीं देते है, आप खुद टोल फ्री पे बात कीजिये। तो आपको कैसी रिस्पांस आएगा आपको पता चलेगा की ये तो बोगस जैसा दिख रहा है। उधर से उधर फिरा देते है तो आप थोड़ा गौर करके देखेंगे तो सर अभी बीच में Government of India ने किया था की जो company chip बना रही है तो chip का प्रोडक्शन कर रही है इसको आप अच्छा बेनिफिट देंगे, टैक्स में डिस्काउंट देंगे और आज कहीं से नयी कार लेने गए तो चिप के बगैर नहीं मिल रही है। 2 wheeler में भी ऐसेही है और fridge, refrigerator, AC हर जगह पे चिप का जमाना आगया है। एक नया बिज़नेस अगर सोच के आगे बढ़ा सकते है तो उसमे मेरे ख्याल से प्रॉफिट मार्जिन ज़्यादा रहेगा और अच्छा रहेगा ऐसा मेरा मानना है सर। धन्यवाद सर।

Moderator: Thank you Mr. Praful Chavda. We will move on to the next speaker Mr. Ramesh Shanker Golla, Mr. Ramesh Shanker Golla, please unmute yourself, switch on your camera and speak please.

Mr. Ramesh Shanker Golla: Hello sir.

Moderator: Yeah, you are audible sir. మీరు మాట్లాడచ్చు అండి. వినపడుతుంది

Mr. Ramesh Shanker Golla: Ok Sir. థాంక్యూ వెరీ మచ్ సర్ శ్రీ మోడరేటర్.

వెరీ గుడ్ ఈవెనింగ్ చైర్మన్ శ్రీకాంత్ గారు తోటి డైరెక్టర్లందరికి కొత్తగా రీసెంట్ గా వచ్చిన నలుగురు డైరెక్టర్స్ కి కూడా శుభాభినందనలు అండి. సర్, సాగర్ అంటే ఒక్క మంచి బ్రాండ్, ఇమేజ్ అన్ని రకాలుగా మనకి మంచి ఇమేజ్ ఉంది సర్. బట్ బిజినెస్ అనేది మనకు ఉన్న బ్రాండ్ తో ఇంకా బాగా పెంచుకుంటూ డివిడెండ్స్, బోనస్ ఇలాంటివి అన్ని బాగా మీరు ఇవ్వాలి మేము తీసుకోవాలి. ఈవెన్ డివిడెండ్స్ కూడా ఇంకా కొంచం పెంచాలి సర్, అందరు చాల హ్యాపీ గా ఫీల్ అవుతారు sir. ఇప్పుడు మన సాగర్ soft సంస్థ కి కొత్తగా క్లెంట్స్ ఎంత మంది వచ్చారు కొంచం క్లెంట్స్ ఇండియా వాళ్ళ, అబ్రాడ్ వాళ్ళ అనేది కొంచం తెలియచేయండి. బట్ ఈవెన్ ఇంకా మన బిజినెస్ అనేది ఏవిధంగా పెంచుకోవచ్చు, కొత్త కొత్త కాన్సెప్ట్స్ తో బిజినెస్ ని ఏవిధంగా పెంచాలి అనేది బోర్డు లో మంచి డెసిషన్ అయితే తీసుకోండి. లాట్ టూ సర్, మీరంతా బాగా కష్టపడతారు, ప్రాఫిట్ గురించి బాగా శ్రమపడతారు ఇది కంపెనీ కి, షేర్ హోల్డర్ కి అందరికి ఆరోగ్యకరం సర్. లాట్ టూ సర్, ఇంకొకటి మన సెక్రటేరియల్ డిపార్ట్మెంట్ గురించి చెప్పాలి అంటే, ఫన్డాస్టిక్ సర్. ఈవెన్ రాజారెడ్డి గారు చాల పెరఫార్మెంట్ పర్సన్ సర్, చాల హ్యాపీ గా ఫీల్ అవుతాము. సర్ ని కలిసినప్పుడు కానీ, కాల్ చేసినప్పుడు కానీ ఈవెన్ రెస్పాన్స్ అనేది చాల బాగా తీసుకుంటారు సర్, ఆయన గాని ఆయన టీమ్ అందరు చాలా మెచ్చుకోదగిన వర్కర్స్ సర్. సూపర్ సర్, ఇంతకంటే చెప్పడానికి మాటలు ఉండవు. సర్ ఒక కంపెనీ కి మంచి పేరు

రావాలి అంటే ఈవెన్ మిడిల్ లెవెల్ లో ఇస్ ది కంపెనీ సెక్రటరీ సర్. ధాని పైన టాప్ మేనేజ్మెంట్. బట్ ఇక్కడ మన సాగర్ లో ఈవెన్ అందరు చాలా బాగా రెస్పాండే అవుతారు సర్. ఇది మాకు చాలా సంతోషం సర్. కొన్ని కంపెనీస్ లో మేము ఎందుకు పెట్టాము ఇన్వెస్ట్మెంట్ అని అనుకుంటాము. మన కంపెనీ లో ఇంకా పెట్టాలి అనుకుంటాం అంతే డిఫరెన్స్. చాలా Thankful టు యు సర్ నాకు ఈ అవకాశాన్ని ఇచ్చి నందుకు మెనీ మెనీ థాంక్యుల్ టు యు సర్ .విష్ యు అల్ సక్సెస్ .హావ్ ఏ గుడ్ డే. బెస్ట్ అఫ్ లక్ సర్. మీ అందరికీ . థాంక్యూ వెరీ మచ్.

Moderator: Thank you. Thank you Ravi Shankar Gula garu. We will move on to the last registered speaker, Mr. Abhishek.J. Mr. Abhishek. J. you can.

Mr. Abhishek J: Am I audible?

Moderator: Yes sir, you are audible Mr. Abhishek. You can proceed with your question.

Mr. Abhishek J: Sir, my name is Abhishek, shareholder of the Company. My DP ID IN301637 and Client ID is 41359155. Sir, first of all, I congratulate the management on the eve of 26th Annual General Body Meeting sir. Trust all is well with you and your family. This challenging situation our company deserves much more respect than the current market CAP after completing more than a decade of successful operations, profitability and becoming one of the strongest brand in our respective segment. Sir, we have successfully completed our 25 glorious years of silver jubilee and the Company is doing giving a remarkable performance and rewarding the minority shareholders in large numbers, we are really grateful to the Company for being a shareholder of the company sir and we are really thankful to the Company secretary as well for providing us the link well in advance and even during the time last time last minute registration also he has entertained and he has provided the link and he has supported the investor fraternity to join the video conference in this virtual platform. I hope that the physical meetings will resume in the years to come and we will get an opportunity to meet you in physical sir and most of my since I'm outside sir, so it is quite eco issue is there and some network issues also there. So, I will just send my questions through email so that the same can be replied instead of raising the questions in the AGM in order to restrict time I will send my questions through emails sir. Nothing much to ask sir. I wish the company and the Board of Directors a great success and prosperity in the coming future and thank you for giving the opportunity, sir, I voted all 15 folios in my family, I voted all in favour of the board. So, thank you very much. Thank you for giving the opportunity.

Moderator: Thank you Mr. Abhishek, with this we have completed and we will give one more chance to the people who are joined but not able to speak earlier. So we will call Mr Reddappa Gundluru, Reddappa garu, you can speak now sir. Mr. Reddappa Gundluru, you can unmute yourself and speak please.

Mr. Reddappa Gundluru: Hello సర్, నా voice వినిపిస్తుందా

Moderator: వినిపిస్తుంది Redappa garu మీరు మాట్లాడచ్చు

Mr. Reddappa Gundluru: Thank you, thank you, thank you, sir అదే మీరు చెప్పలేదని. First of all my chairman Sreekanth Reddy sir and Jagadeesh reddy sir, K Pradeep Kumar Reddy garu and other directors on the video conference and my fellow shareholders, good evening. Namaste sir. Sir, my name is Reddappa Gundluru and my DP ID Is 113468 sir. Sir, thanks for your presentation and detail AGM report you have given in chairman's speech sir. Thank you. Thank you to the chairman sir. Sir, secondly Sir, the corporate governance part of you, excellent the corporate governance my company is maintaining sir like legal, integrity and other transparency proceedings by Raja Reddy garu for smooth functioning and company proceeding sir, thank you, company secretarial department and also sir, my observations and congratulations for the acquiring of the new company IT CATS LLC USA. So, last year, June, July 21. Thank you, sir. So, congratulation for this company and also sir, congratulations for the appreciation and board of board for the achieving of more than 100 crore mark turnover we have crossed sir. So, I have observed this. So that I am congratulating this sir Board. The financial point of view. So, my company is doing constituent financial performance. Thank you for Sir, you have increased 5% of dividend this year. So increment in dividend also you are giving sir. So very happy. And also strong performance of sales sir, year on year growth is increasing. So I'm very happy, sir. Very happy. And also companies are loaded company. So CSR also we're doing wonderful participation towards society and department promoting the education extra, thank you for more than 13 Crores you have spend for this sir. Sir, Mr. Chairman, I have three questions. So I would like to know what is the company's vision in coming couple of years? And what is the future? I would like to know and also what is the future acquisitions if any? Any expansions I would like to know sir. And also sir, the second question is, what would be the revenue addition after this the new equations? So current financial year, I would like to know, and as I said last year also I requested for the NSE listing sir, so please comment on NSE listing sir and also no need to ask any more financial queries over here because of our company secretary is always reachable to all the shareholders. So I would like to thank company secretary department, and also especially Raja Reddy garu and his wonderful services to the company appreciating sir. He's a nice person as all other shareholders are appreciating. He's a nice humble man sir towards the company growth. And also, sir, thank you Karvy for the smooth AGM conducting sir. So, your wonderful services. I really appreciate the Karvy. Lastly, I personally believe that our company will achieve more higher awards and recognition under Sreekanth Reddy sir's leadership. I wish to all the board and good health happiness to the company upcoming financial year. So, we always how trust on Sagar group management sir, thank you. Together we will move sir Thank you.

Moderator: Thank you Mr. Reddappa Gundluru sir. We will move on to the next speaker who missed out to speak. Mr. Bharat H Shah. Mr. Bharat H Shah, in case if you're available can to switch on your camera, unmute yourself and speak, please.

Okay. As there is no response from Mr. Bharat H Shah, we will move on to the next speaker Bhadri Vishal Bajaj. Mr. Bhadri Vishal Bajaj, this is a second opportunity for you to speak, please.

Okay, there is no response from Mr. Bhadri Vishal Bajaj. We will move on to the next speaker Mohammed Anwar Ur Rahman Sufi. Mohammed Anwar Ur Rahman Sufi.

Unknown Speaker: Anwar Rahman तो क्या.

Moderator: है क्या उधर? अगर वो नहीं है तो दूसरा स्पीकर है Shabanath Ali Khan जी, Shabanath Ali Khan जी आप बात कर सकते हो सर। Shabanath Ali Khan sir.

Okay. No response from Mr. Shabanath Ali Khan. We will move on to the next speaker. Zarafath Ali Khan.

Zarafath Ali Khan जी, no response. Shujath Ali Khan.

Shujath Ali Khan. No response. Wali Ur Rehman Sufi Mohammad.

Wali Ur Rehman Sufi Mohammad. No response. Sajeeda Begum.

Sajeeda Begum. No response. Afzal Ur Rehman Sufi Mohammad.

No response. Sajeeda Begum जी दूसरा फोलियो है आपका।

So, Sajeeda Begum also not there. So, we have given the first opportunity plus second opportunity also to all the shareholders sir. Now, with this, we have completed the questions session and the dias is given back to you, chairman sir, thank you very much.

Mr. Sreekanth Reddy: Thank you, thank you for the interest and the questions that you have raised. So, let me address all of them on a consolidated basis. So, first, let me address the growth prospects for the company sir. As mentioned in my speech earlier. Yeah, we are very clear that last year the business did grow by 20%. But as you know that we did acquire a company which is doing very well in US, since, it was the first year the expenses pertaining to the integration-related issues as well as equally efficient is at its higher Though the IT attrition has been rated for across the industry, in our case it is around 15%. We could address most of those issues reasonably well. As you know the salary increase in the IT sector generally is higher. But in our case, we had to sustain the employees who have been working hard for over more than two and a half decades. So, similar kind of a trend line has been seen. So, it will be too soon for me to share other than the numbers what you would have seen in the P & L what the increase that has happened. So, so there has been a steady increase in the overall kind of costs that did put impact on the margin. We believe we are very close to a sustainable kind of margin, if not higher, or if not lower. So we believe that somewhere around 17 to 20% is what our company could sustain its margin is what we stopped at. As one of the stakeholders did point out about the data days. Yeah, this has been in our case, the data days for standalone or consolidated is anywhere between 90 to 120 days, there is enough effort that is being put to reduce it, but it is safe for us to assume that this has been our historical performance. So though the client interface and everything has been fairly strong. So we have never seen any major change in this. Fortunately, does not moved higher than this. So we believe that this will be the bottom and we will definitely strive to work hard

to ensure that it will come down or it's not go on. Ya coming back to the loans that have been given to a related party. As you will have seen companies sitting on cash. There was a requirement of ICD from one of our group companies which is relatively safe. So the way it is expected it is given 200 basis points higher than the FD is what the formula is. That is very, very marginal to the overall cash that we have. The very purpose of keeping the cash is to ensure that if there is any opportunities that come by for an acquisition, we quickly want to, to get into some place where we could get access to funds back what we have. That is one of the reason why we have either kept in FD or with one of the group companies which we felt is relatively safe. Let me assure you that the interest that the related party is paying is 2% higher than what we would have definitely got. So that I am sure it is disclosed, and it is in order. Now earlier the client concentration was higher, with the acquisition, there is a better spread. So we have added quite a few clients, naming all of them will be a challenge. But I would request you to connect with Mr. Raja Reddy. Any specific numbers that you are looking for naming the clients would could be a challenge, as I'm sure you would appreciate, but Mr. Raja Reddy would be more than happy to assist you on a quarter to quarter, the client additions or the number of client additions. The client concentration, the single largest client earlier was at 60%. Now it is very close to 40 odd percent, we are happy that is still contributing, but there is also a very, very good spread. Coming to the outlook. The general stance that we are maintained is to double the overall kind of turnover and all in five years, but we are more than hopeful to do this in a reasonably quick time. The efficient as I mentioned is 15% we do believe it should stabilise, the rupee depreciation is a two way street. It is constant across so that is what is the incremental likely margin that it could add, but at the same time, there could be an incremental cost that are associated with travel and related things. So that we don't look very very seriously but it could still contribute to some aspects. Now, going back to some of the suggestions about the share buyback and bonus-related issue, sir, as you know, that our company is still growing phase. So, at this point of time, the very idea of doing Capital increase along with the acquisition was to ensure that our growth phase would not get disturbed with the market conditions. So, we would rather try to remain with the cash and look at growth opportunities rather than to spend back on the share buyback. As you would appreciate that our current paid-up is very, very small sir, it is less than 6.4 crores on a 10 Rupee share, it is too soon for us to look at any of the buybacks that are likely to happen. Now going back to the NSE listing sir, yeah, we, as you know, that the networth requirements and all those things are still evolving, we will definitely look at that option to ensure that whenever it is possible, we will be more than happy to start looking at filing for the NSE listing. We generally have been very very focused on the business that we do. So diversification of our business into either chip manufacturing and all at this point of time is ruled out. Now going to the bank concentrations sir, as you know, we are working with the best of the banks with an assumption that they will be definitely be the last one standing ones. That is with Axis as well as HDFC and also SBI. So, we are working with three of the best names, we will definitely make use of few more as and when the need arises. But at this point of time, we will feel reasonably comfortable working with these three. Going back to the increased dividends. Yeah, we have always been very, very clear and calibrated in terms of maximising the returns to the stakeholders. So, as and when there is surplus, and there is a different opportunity for us to do that, we will not hesitate to come back with a higher return. But please keep in mind that we are a growing company. So we are trying to keep as much cash as possible. So that we could acquire with very, very limited debt or no debt. That is the outlook that we maintain. From a margin perspective sir, as I have indicated earlier, we are

working towards increasing the margin, I think we have hit the bottom that's what we can say and hoping sales support, cutting edge of support with you. Our company should double much faster than five years what we have indicated before. So I take this opportunity to thank each one of you for joining and showing the interest and for all the questions. Some of the questions missed out, we would be very happy to address, kindly reach us out. So, the last one is about the Russia-Ukraine war and the impact of that on our business, our exposure is primarily into the US markets and we do have some exposure into Japanese as well as some Asian markets. So the war so far did not make a big impact for us. We do believe that the recession in US is what most of the people are talking. But in our past, we did see similar kinds of trends. But in the past, our experience has been that it worked out well for us, because most of the clients in US when they tried to optimise during the recession, we have seen some additional work going on. We are hopeful that with this growth plans for the company would remain intact and we will be progressing in a much faster way and I take this opportunity to thank each one of you again for joining and for voting on the resolutions. With this, I conclude mine.

So, again, let me again reiterate that the Instapoll facility will be activated now to enable members who have not cast their votes earlier through remote e-voting. This facility is available on the left-hand corner of the video conferencing screen in form of a "Thumb" sign. Members can click on the same to take them to the "Instapoll" page and vote. This facility will be available for a period of 15 minutes.

Mr. S Srikanth, Partner of BSS and Associates, Scrutinisers will submit their report to the Company after consolidating the remote e-voting and the voting at the AGM.

As there is no other business to transacted. I declare the meeting as closed. I thank all the shareholders for connecting with us today. I also thank KFin team for facilitating the video conferencing which enabled us to connecting with all our stakeholders and the other service providers for ensuring seamless conduct of the meeting. Thank you. Good day.

Moderator: Yeah, now the Instapoll is activated sir, the shareholders can vote for next 15 minutes. Thank you.