ramco

November 09, 2023

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Plot No:C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip: RAMCOSYS

BSE Ltd.,
Corporate Relationship Department
Phiroze Jeejheebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip: 532370

Dear Sir/Madam,

Sub: Con-Call transcript of Analyst/ Investor Meeting held on November 03, 2023
Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our intimation dated October 31, 2023, regarding analyst/ investors call, please find enclosed the gist of the points discussed in the Con-Call held on November 03, 2023 and the fact sheet as on September 30, 2023.

The aforesaid intimation is also being hosted on the website of the Company www.ramco.com.

Kindly take on record the same.

Thanking you,

For **RAMCO SYSTEMS LIMITED**

VIJAYA RAGHAVAN
Digitally signed by VIJAYA RAGHAVAN
Date: 2023.11.09 14:01:12 +05'30'

VIJAYA RAGHAVAN N E
COMPANY SECRETARY

Encl: Gist of Con-Call and the Fact Sheet

“Ramco Systems Q2 FY 24 Earnings Conference Call”

Event Date / Time: 03/11/2023, 16:00 Hrs.

Event Duration: 45 mins

Hosted by DAM Capital Advisors Ltd.

ANALYST: **MR. VIVEK DOSHI - DAM CAPITAL ADVISORS LIMITED**

MANAGEMENT: **MR. ABINAV RAJA – WHOLE TIME DIRECTOR**

MR. SUBRAMANIAN SUNDARESAN – CHIEF EXECUTIVE OFFICER

MR. R. RAVI KULA CHANDRAN – CHIEF FINANCIAL OFFICER

MRS. GAYATHRI R – VP FINANCE

MR. VIJAYARAGHAVAN NE - COMPANY SECRETARY

Moderator: Good evening, ladies and gentlemen, good day and welcome to the Ramco Systems Q2 FY 24 Earnings Conference Call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing * then 0 on your touch tone phone. Please note that this conference is being recorded. I would now like to hand over the floor to Mr. Vivek Doshi from DAM Capital. Thank you and over to you, sir.

Vivek Doshi: Thank you. On behalf of DAM Capital, we welcome you all to the Q2 FY24 Conference Call of Ramco Systems. We have with us Mr. Abinav Raja – WTD, Mr. Subramanian Sundaresan - CEO, Mr. R. Ravi Kula Chandran – CFO, Mrs. Gayathri – VP Finance and Mr. Vijayaraghavan NE – Company Secretary.

I will now hand over the call to Mr. Abinav Raja for his opening remarks. Thank you and over to you, sir.

WTD: Good afternoon, everyone and thank you for joining the Q2 Earnings Call. I'm sure you all have gone through the results of our performance in Q2 that were announced on the 30th of October 2023.

During the second quarter, we undertook a comprehensive reassessment of our business aiming to strategically review our operations and develop a new roadmap for the company. As part of this initiative, we made provision for a one-time write-off to clean up our balance sheet and prioritize our efforts in getting the Company towards profitability, generation of free cash flow and strong revenue growth. In addition, as part of our strategic reassessment, we have also decided to realign our focus on product lines that have shown strong product market fit and double down on them.

On the innovation front, we remain committed to investing in technology to deliver optimal solutions to our customers. Our investments will primarily focus on three key areas:

1. Accelerating implementation timelines.
2. Modernizing user interfaces.
3. Developing self-service solutions.

We are dedicated to building partner-ready applications, which will not only enhance implementation timelines, but also foster the growth of a robust partner ecosystem for growth.

With this background, I will now turn over the call to Sundar, CEO to walk you through further details for the quarter.

CEO: Thank you, Abinav. Good evening all of you. Thanks for taking time to attend this call. Let me quickly take you through our Q2 performance.

As Abinav mentioned earlier, during the quarter, we performed a comprehensive review of strategy of all our business units / projects considering various factors, such as project viability, aging, the decision to exist unprofitable solutions, customer de-scoping and country-specific risks. Following this assessment, Company decided to allocate one-time provision of $15.10 million for trade receivables and unbilled revenue. With this, the ongoing provisioning exercise comes to an end for Ramco.,

Last quarter, we reported a revenue of $15.48 million. This is a slight uptick of around 3% year-over-year from last year. Our quarterly order booking was quite solid. It stood at about $16.6 million. From an order booking parameter, every business unit has performed well from the year-over-year perspective. The HRP has been a major contributor to the overall order booking, contributing close to $10.62 million, followed by ERP and then by Aviation. We signed two 'million dollar' deals last quarter. A leading global automotive parts supplier chose Ramco to manage its payroll operation and one of the leading integrated buildings materials companies selected the Ramco ERP system. We concluded the quarter with a very healthy, unexecuted order book of $193 million. This typically translates into revenue in the next 3 years, so thereby giving us a good start to the next quarter.

We are also witnessing a very positive momentum in the recurring revenue. Our recurring revenue for the last quarter moved to $9.49 million, reflecting a 14% plus year-over-year growth. This marks the fifth consecutive quarter of consistent growth in our recurring revenues.

Our cloud orders are primarily the subscription-based SaaS solutions, continue at a very healthy space, with around 50% of the revenue recorded from cloud / SaaS customers. One interesting aspect is that Asia has shown a remarkable recovery after post COVID and reflecting an upward growth trend. The orderbook in this region has surged by 86%, rising from $5.81 million in Q2 of FY23 to $10.81 million in Q2 of FY24. This robust performance signifies a significant rebound and promising growth within the region. In addition, there has also been healthy pipeline growth. The overall new pipeline addition in Q2 witnessed a growth of 13% quarter-on-quarter and 9% year-over-year. It stands at $124 million.

From BU perspective, the HRP continues to record good pipeline growth of 46% plus quarter-over-quarter and 101% plus year-over-year. From a geo perspective, the overall momentum has been good. Asia also shows a good pipeline with additional 83% year-over-year, mainly from Singapore, Malaysia and Indonesia. Likewise, Europe has displayed a notable year-on-year growth, largely attributed to our partnership and alliances. We continue to strengthen our engagement with key partners and alliances.

In closing, I want to mention that our investments in technology and innovation continue to yield results. Our turnaround strategy, combined with a strong deal momentum, a robust, un-executed order book and a sustained global market interest in our product lines are all exceptionally promising. I'm confident that with strong order booking and a healthy pipeline, we are at the start of another interesting quarter and year. Thank you.

Now, we would like to open the forum for any questions you have for us. Thank you.

Moderator: Thank you. We'll now begin the question-and-answer session.

Question: Regarding the write-off, you have explained it in many con calls, so I'm not asking about the accounting part of it, I'm asking from the business operations part of it. Is it like product go-to-market failure or is it implementation and operations failure or client selection or geography, what are the things that led to us having such huge write-offs, or what is leading to this? Because this also shows somewhere that, we are not doing something right with respect to our products and implementation. Kindly explain not from the business perspective and not from an accounting perspective. From a business perspective, what decisions led to this and what are the steps that we have taken for not repeating this. Is there a structural problem with our product that we are just trying to repair and will it take long time?

Answer: Thanks for asking this question, since many may have the same question. The entire product rollout is the multi-year rollout. Now it has become a multi-year, multi-country rollout when it comes to HRP. When we book an order and when we sign a deal, it is across several years, say at least 3 to 5 years in different countries where the implementation is staged from one country to another country and that's how it goes. Many of the orders that we have really taken write-off at this point of time have been signed pre-COVID. In the pre-COVID, the companies had different strategies and post COVID, lot of things changed in the business environment globally. Post COVID, their strategy has really changed. Many of the customers have really come back and said that, no longer they want to go with the existing one because of change in their company direction or said something like around 5 to 6 countries that are still to happen and we are not really looking at those countries at this point of time. We have really factored into this, and we have taken a call. That is one aspect of the write-off that we have done. The second aspect of the provisioning is aging. This is more a conservative way we have really looked at it. We have taken primarily to look at the aging of these things. Primarily the accounts receivable that are more than 3 years, we have taken a complete call on that. It is based on aging, customer's lack of interest in continuing with the product and customer de-scoping some product lines or customer de-scoping some countries in the rollout plan. So, those things we have considered and did this write-off. We have been doing this write-off for the last few quarters. We collectively took a decision that instead of continuing this exercise, maybe let us do a complete one-time review and take a one-time write-off and that is the reason behind this $15.1 million provisioning.

This does not impact our cash situation in any way. This is only a book cleaning exercise.

Question: Customers coming back and saying that they no longer need it because of their change in business plans or is there something wrong with our product and implementation? Or both?

Answer: It is more of first, customers who came during that COVID period, they no longer wanted. Not all customers not wanted, we continue to generate revenue and implement it in the last 2 years. Some of them have really done that. Another thing is, our industry during the implementation is really a solution definition and implementation is high-touch. When it is high touch, we go to the customer site, work with their shop floor, work with their finance department; in terms of aviation, work with their people who are in the hangar and get the requirements from them and design our solutions and implement them. Those are the things that we could not really do during COVID effectively, because most people have moved virtually. Some industries are not really too amenable to the virtual way of working, because these are all very traditional industries. Those are the places where the implementation has really lacked and then they have taken a call that, now their strategy has changed, our implementation is also delayed and hence we no longer want to go with it. So, to answer your question, it's a combination of both, but more customer aligning, having a strategy review is the primary reason, the secondary reason being this.

Question: We not losing huge market shares and being through overtaken by some other product, that are not the reasons, right? Hope we are able to maintain our win rate in deals and all right?

Answer: Absolutely not. We can see the pipeline and our order booking or unexecuted order book. We have not lost any market advantage. At least collectively we said, part of the strategy, let us clearly focus on what we are doing, let us do it well. Whatever has not really fructified in the last few years, let us take a call on that and close it. So generally, we are in a good position. After taking over as CEO, I have visited several customers in Australia, New Zealand, US, Philippines, and Middle East and all have given an overwhelming interest in our product. They've been happy. We have got feedback also and that is something that we are making into our strategy. So, we are in a very healthy, positive space.

Question: From now on, we do not expect such kind of big provision, right? It will be a normal ECL provision from next quarter?

Answer: Absolutely, what happens typically in the business where we will continue to build our ECL, that is one and that we will build it. The other thing that happens over the normal course of the thing. The ghosts of the past have really been retired. Let me put it that way.

Question: In terms of order winning what we had in the past and we are now transitioning into this subscription SaaS. If we can compare the pre-COVID order booking with this order booking, when can we reach back to the USD 25-30 million per quarter consistently winning orders? Or, if not per quarter, yearly USD 100 million? When will we start growing from there? Which product do you think in the next two or three years will contribute to our growth? Because we have been investing a lot in logistics. We invested a lot in HRPs, doing connectors for Workday, Oracle and other companies. So, a lot of investments have gone into the products. In all these investments, where do you think we'll see a huge growth? And where you're already seeing some signs, because you're saying that pipeline is good; so which products do you think will drive growth, because we have invested in logistics and HRP, which I understand from the con calls and annual report. When do you think we can cross that USD100 million booking or is 100 million not the right way to look?

Answer: Right now, we don't want to talk about numbers, because we are in the beginning stages of our turnaround at this point of time. But having said that, the growth area seems to be, HRP is growing really well. Even sometimes this week we got a report from Everest PEAK Matrix that we are the leaders in payroll solutions in the world. That is something and primarily they have marked us in the APAC and we are seeing the same thing in different regions also. That is something we are focusing on because the traction is high. The traction is high for two reasons. One is that in terms of the solution that we are offering; other thing is that we are the only organization in the world who have the payroll rules and regulations of close to around 65 countries in a single code base. If you look at a lot of our large order wins in the last 2-3 quarters, they are essentially multi-country implementation for a payroll for a single customer. Which is something we are seeing post-COVID. So, we are in a very healthy space now and you will see more on that going forward. The second thing is that the aviation side of the business is also doing quite well, but we are working on some of the large orders. The nature of these two businesses is very different. The payroll is kind of something that is a horizontal solution for lot of industries. The aviation is a vertical market there and we are really talking to a lot of customers and prospects, and we are having very good conversations in many of these things. In these two places, I would say the interests are very high. Logistics is an area where we said we will cut down certain solutions. For example, apart from the typical logistics which are TMS and WMS, we have gone into things like container management and a few things. We said, let us not focus on this, let us defocus on those things. Let us focus on where we are really strong and even that we will focus on some countries. One decision we took as part of this is that we will not focus on the US when it comes to logistics. So, we said we'll stay away from it. But Australia and New Zealand, it has got a large amount of traction. We already have a very successful implementation going like that. Even in fact, the last quarter we had two defect free implementation that happened in Australia and New Zealand. So, we will double down on those markets. So, primarily it is on the subset of the solutions that we have and the subset of the markets we have, that is where our focus will lie. In nutshell, from the conversation that we are having and the pipeline that we are seeing, we are in a very healthy space.

Question: Can we see growth in order booking in the next 2-3 years, like good jump in the order booking over the next phase growth and everything which we have not been able to see over the past 6-7 years. I'm not talking about 2-3 quarters but 2-3 years. Hope you're confident about that, since you would have spent time with customers, right? Positive about the company, the products and the growth in the future, growth over next 2-3 years?

Answer: Yes, I'm absolutely positive. The amount of IP that we have, I don't think anyone else has. See, the amount of monetization is pretty high. Having said this, the turnaround will take around 4 to 6 quarters. We have to really have that patience and go through it. Some of this will be painful, some of this will be interesting, some of this will be the very first time somebody is doing that. But I think we'll come out of that in very good shape. We are already beginning to see some green shoots around it with some of the customers that we are having.

Question: Question is regarding the recently canceled aviation deal. Could you just please clarify, like if we need to expect any future financial impact because of this deal and the current provisions during Q2 which Company took, does that factoring even impact related to this canceled deal?

Answer: This we have taken a provision for that. We are in discussion with the customer. Primarily, it is a claim from the customer. We are having ongoing discussions with the customer. The outcome of it, we will know during this quarter or the next quarter, depending on how it goes. The reason is that the implementation is nearly done for them. We start from the position that if it is nearly done, why don't you use it to go further. If they change the business strategy, we will not be able to do anything. For that, I don't have a definitive answer, but we have taken part in provisioning for the claim.

Question: Question about traction of managed payroll services, especially after some senior leaders have been taken on board?

Answer: Yes, that is something that we would see, Hope you have gone through our fact sheet and our recurring revenue has been moving quarter after quarter, for example, from the last previous quarter to this quarter, it has moved from \$9.23 million to \$9.49 million and that is because the subscription revenues have really picked up. That has been a very healthy traction. I also mentioned in my opening remarks that the pipeline for HRP is pretty healthy and all these things have come after the new leaders are taken. When we go to the market now, when we go to the prospects as part of the deal, we are able to articulate our proposition quite well and that really helping us. That is one of the most promising SBU for us. We expect to see a lot of growth in that area. Some of the large wins that we announced in the previous quarter were also from the HRP payroll side of things and remember in all these things primarily, unlike an aviation or some other older order, we don't really get the lump sum revenue. We get subscription revenue monthly, and that really builds our annuity pipeline and as long as the annuity pipeline is healthy, we can really keep going after the new thing. To answer your question, generally it has been very healthy.

Question: You did mention in your initial remarks about cutting down on implementation cycle, it would be very helpful if you can throw some more light like on the status of achieving accelerated implementation cycle?

Answer: There are two aspects to it, one is that as part of the process what are the better ways to parallelize process and get things done. That work is underway in terms of doing the entire process. The second thing is that we are a technology Company, we are a product company and how do we really enhance the product to really build it and something that we will see going forward. We are not yet ready at this point of time, but we are working very strongly on bringing down the implementation cycle and as Abinav mentioned, creating more self-service use for the customers. So, we are working on those things, and you will know soon. At this point of time, we can't really make any definitive announcement on that.

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Question: Other than shifting business model to more of subscription based model, can you please explain other operational measures that you are taking to prevent the recurrence of such high bad debts or bad debt provisions in the future?

Answer: Focusing on what we want to do is something very good. So, primarily the things like where we thought our solution was not very strong or where we thought the sales dollar is not right to penetrate into that market, we have really cut it down; that is more from the operational side. But outside of that, we have really injected the reviews right from the deal qualification. We do a very good deal qualification criteria and see whether we should really get into this deal or not. Thereafter, we do the deal review process, then we sign the deal with the customer and the implementation gets thoroughly reviewed. We do constitute a change control board with the customer, so that the implementation issues don't really surface. You are in a business where these things issues will happen. You cannot say those things will not happen, but you are with the customer there to really identify those areas and address those areas immediately and subsequently, you go to the support mode. All these places, we are tightening the process as we speak, this is what is typically called as a left shift. Earlier you do things, later life gets a lot better, which is typically done in a software development lifecycle. Here we started doing it right from the deal qualification itself, so that we optimize the bandwidth we spend on those deals and the implementation we do perfectly well and deliver excellence to the customer. That is what we are really looking at.

Question: Defense opportunities in India, are you pursuing defense opportunities in India, especially given the huge opportunity in MRO? Could you please throw some light on that?

Answer: At this point of time, we are absolutely interested and we have some conversation with some customers which are in the very initial stages. Once it really matures, we can really talk about it, not at this point in time. Having said that, MRO is one area where we have built a very vibrant product and MRO is kind of very uniform across the world. There is always a custom specification for different requirements for different MROs, but by and large the way they run their business is very similar. To that extent, the product that is in one customer can be used to implement in other area. That is one of the areas of our investment in the last few years. We are in the final stages of that along with the customer. We are not doing it alone.

Question: On this big provision that we have taken based on our assessment of all the projects which are underway, what is the risk that this number would still have something to carry forward to into the coming quarter and what should be the stable run rate as a percentage of revenue or absolute term that we should expect from Q3 onwards?

Answer: As we mentioned, it will be less than 2%. All the one-time provisioning and write-off what we should take, we have taken it off in the last quarter, so it will be less than 2% at this point of time.

Question: From a demand perspective, as you have been saying that these are some of the things that you are taking and it will take a couple of quarters for you to actually play out; so from that perspective, what I need to understand is that if somewhere growth will take a kind of a backseat, not that you would intentionally do it, but a lot of bandwidth might go towards optimizing this thing and not towards a new customer acquisition side, is it a fair understanding?

Answer: No, I don't think any business can afford to be in that stage. What we are looking at is profitable growth. We need growth and we need profits. We need both and we are working on both simultaneously. What I am saying is that we are focusing on where we want to build that growth, so that it remains profitable growth with the existing bandwidth we can service that well, but without growth, there is really nothing. Revenue solves all problems in life, so we will not really sacrifice growth for this thing. We are looking for profitable growth, which starts right from the deal qualification basis.

Question: Any specific reason you could highlight for this particular quarter where we have seen some deal win in momentum slightly slowing down versus the last couple of quarters?

Answer: We have four different SBUs, sometimes it is always a tale of two cities. HRP deals tend to move quickly because payroll solution they tend to move quickly, but whereas the aviation deals, they take much longer. Some of these things what we expected in the last quarter have moved to this quarter and next quarter. It is kind of the deals have really moved, the close date of the deals have really moved, but we are not seeing any slowness in the market at this point of time, but the deal closure may be slow because of the geopolitical situation at this point of time. So, the companies may take a longer time to make decisions.

Question: In aviation, in particular, we have seen a lot of demand from North American market, and you are citing some macro concerns, you think aviation from a next couple of quarter basis might not see that kind of a traction that we have seen in the recent past?

Answer: No, some of these things are very unpredictable. Some of the customers who I met in the US were primarily aviation customers. They are all doing well. Aviation and the market are doing extremely well. Go to the airports, airports are full, the flights are full, the ticket costs are high, so aviation as a market in general, I think they are having one of their best years now. But the decision to really sign a deal, there are different levels of thinking. They go through multiple levels of scrutiny at this point of time. So, that is all it is. Those companies are not under any kind of financial stress. I think that was really well passed them, that happened during the COVID time, and they are well past it. Now, it is one of the booming sectors.

Question: Are you trying to say we have a good pipeline on the civilian airline side of the thing because my understanding was that mostly we are on the defense side of it, or maybe the helicopter side of it, airline has been a lower component in an overall mix, while what you are alluding is mostly of the consumer airline side?

Answer: No, no. It is primarily we are in heli, we are in the defense and we are in the MRO space. So, MRO space, we are seeing some larger discussions happening at this point. We are not into civil aviation. We are into civil aviation in a small way, but that is not where we are seeing traction. We are seeing traction in our areas of strength. So, that would be in these three segments.

Question: On the HR business, in the past, we have announced several market deals where the headcount addition as in part of the deal were quite significant, but those kinds of deals are less often announced now. Is it because we are now trying to do through this two-channel partner, the size and scope of the deals have become smaller for us? Or there are lesser such deals available in the market in general?

Answer: Many times, it is primarily because of the customer's confidentiality, Sometimes they tell us, they don't want their headcount to go out. So, in a particular country, if they have so many thousands of people there, they don't want numbers to go out. So, many times, we are dealing also with the customer confidentiality there and that is the only reason. The other reason is that the partner-related we have done once again, that is an issue with respect to the customer, when the customer says that, hey, we can't really let our number known, so that is something that we can't really publish. That is number one. In fact, many of the names also we have not been publishing just because of that. The second one is that, however, that we can really see that over a period of time in our subscription growth. The recurring revenue growth when you see that, you will see that movement there. What was the recurring revenue of $8.04 million in March of 2022 has become $9.49 million in the last quarter. So, that is the growth that we see. We see how it has positively impacted on our finances in the last few quarters, but many times we can't really talk much about the headcount growth in terms of payroll, but we can give an overarching thing. That is something that we can really look at. How many pay slips we overall generate, that is something we can talk about.

Question: So many years you have won large deals, so many years bad debts provisioning. On the investors side, so many years of waiting for around 15-20 years. Can you think of wealth creation of being a profit-making company? Another question is can you get the $200 million order mark and these orders are implemented in a short time, to grow the company. You can try. Can see the investor side also.

Answer: We are heavily focused on the investor side. No business can be without focus on investors. We are taking all the necessary steps to turn around the business. As Abinav mentioned earlier, we are getting more profitable, profit focused, more growth focused. Those things, I can't really predict the exact numbers at this point of time.

Question: How much time does it takes for us to turnaround?

Answer: It will take 4 to 6 quarters.

Question: Another 4 to 6 quarters we will be making profit. So, for another 4 quarters will we be making losses?

Answer: We can't really do any forward-looking financial things, at this point of time unfortunately, but this turnaround is for the growth. When we are looking at an organization that is in four different industries that have been there for quite some time and turning around, we have to really do it in a very holistic way. So, it is primarily we are looking at that period to really turn it around.

Question: Actually payroll, you have gone for payroll in so many companies. In India, the railway department or postal department are big departments, can you please contact them for HRP side or payroll side in government organizations or any other private organizations in India, since thousands / lakhs of employees are there? We are not going for those markets, is there any reason?

Answer: So far, we have not really done that, because no one has really approached us, but I think if anyone had the contact, we would absolutely like to go there. We have a Make in India software. We are the only first ERP product company to be rolled out of India. So, we would be very happy to service them. So, right now we are not doing this business, not because we are keeping away, it is just that it has not happened.

Question: Actually, the huge market also is there in the railway department or postal department?

Answer: Yes.

Question: And so many employees are there?

Answer: Yes, we will talk to our sales also and let them know that this is very good input.

Question: So many years I am an investor, at least you can give the future prospects or guidance in profit making at least, you can give good guidance?

Answer: Very valid suggestions and we will pass it on to this and we rest assured that we are completely focused on the turnaround, primarily on profitable growth. We are absolutely focused on that area.

Question: You can try to go for Zoho type of product, you can go for small business areas and you can try it?

Answer: Good point and we will make sure your input goes to our sales team.

We will let our sales team know about it. We are not keeping away, for us servicing large corporations in India, whether it is public or private, it is a pride for us. So, we will absolutely do that. So, be rest assured and I will pass your inputs to our salesmen.

Question: After some time, you can conduct the investor conferences also, in order to build up the confidence of Investors. In the investor side also, so many investors invested their huge money. You can conduct the investor conferences and give good guidance.

Answer: We are right now focusing on the turnaround and at the right time, we will do those things. We will absolutely do those. Thanks for all your input.

Question: Kindly focus on the Indian business side also like Zoho type a small business area?

Answer: Sure. Thank you.

Moderator: Thank you. As we have no further questions from participants, we would now like to hand the conference over to management for closing comments.

WTD: Thank you everyone for attending our Q2 Conference Call. Just to summarize, as we said, as part of our restructuring and turnaround for the company, we have taken a one-time non-cash provision. Our focus will be to double down on profitable growth and ensure that the company gets to free cash flow positive at the earliest and also focus on a few product lines that have shown strong product market fit and go deeper in those markets as these are large growing markets as well. So, thank you very much and look forward to speaking to you soon.

Moderator: Thank you. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

After this, the meeting concluded.

Note: This is not an exact transcript of the call. This document has been edited to improve readability. Blanks if any in this transcript represent inaudible or incomprehensible words. We have made our best efforts to capture the essence of the call. The voice modulations and the vocal emphasis cannot exactly be translated. For any clarifications, please reach out to: R. Ravi Kula Chandran at rkc@ramco.com .

FACT SHEET AS ON 30TH SEPTEMBER 2023

CONSOLIDATED INFORMATION

Figures in USD Million, except where stated otherwise

	Quarter Ended								Half Year Ended		Year Ended			
	Sep-23	Jun-23	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21	Sep. 30, 2023	Sep. 30, 2022	Mar.31, 2023	Mar.31, 2022	Mar.31, 2021	Mar.31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited $	Audited $	Audited $	Audited $
REVENUE - STREAMWISE														
Recurring	**9.49**	**9.23**	**9.18**	**8.71**	**8.36**	**8.03**	**8.04**	**8.44**	**18.73**	**16.40**	**34.34**	**32.64**	**31.30**	**27.26**
AMC / Subscription	*5.83*	*5.58*	*5.85*	*5.49*	*5.26*	*5.08*	*5.26*	*5.55*	*11.41*	*10.35*	*21.71*	*21.66*	*21.94*	*20.11*
BPO Services	*2.11*	*2.17*	*1.90*	*1.90*	*1.79*	*1.79*	*1.72*	*1.68*	*4.28*	*3.58*	*7.38*	*6.43*	*5.60*	*4.29*
Hosting Charges	*1.56*	*1.48*	*1.43*	*1.33*	*1.31*	*1.16*	*1.06*	*1.22*	*3.04*	*2.47*	*5.25*	*4.55*	*3.76*	*2.86*
Non-recurring	**5.99**	**7.85**	**6.25**	**6.94**	**6.64**	**7.67**	**8.55**	**8.56**	**13.83**	**14.29**	**27.45**	**39.29**	**53.62**	**53.77**
License	*0.64*	*0.96*	*0.37*	*1.48*	*0.96*	*1.73*	*1.21*	*1.42*	*1.60*	*2.68*	*4.50*	*7.69*	*18.56*	*17.14*
Service	*5.23*	*6.68*	*5.78*	*5.33*	*5.53*	*5.84*	*7.15*	*7.03*	*11.91*	*11.36*	*22.47*	*31.14*	*33.55*	*36.18*
Resale of Material	*0.12*	*0.21*	*0.10*	*0.13*	*0.14*	*0.10*	*0.20*	*0.12*	*0.32*	*0.25*	*0.48*	*0.46*	*1.50*	*0.44*
TOTAL	**15.48**	**17.08**	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**32.55**	**30.69**	**61.79**	**71.93**	**84.92**	**81.03**
REVENUE - BUSINESS UNITWISE														
ERP	4.53	4.44	4.31	4.04	4.33	4.48	4.78	4.84	8.98	8.80	*17.13*	*23.57*	*31.74*	*32.00*
HRP	6.69	7.02	6.20	6.39	6.45	6.50	6.52	6.33	13.71	12.94	*25.53*	*25.55*	*27.59*	*30.26*
AAD	4.25	5.61	4.92	5.23	4.23	4.73	5.30	5.83	9.86	8.95	*19.13*	*22.81*	*25.58*	*18.77*
TOTAL	**15.48**	**17.08**	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**32.55**	**30.69**	**61.79**	**71.93**	**84.92**	**81.03**
REVENUE - GEOGRAPHYWISE														
Americas	4.37	4.17	4.37	3.50	3.69	3.94	3.97	4.74	8.55	7.62	*15.50*	*17.97*	*19.87*	*14.43*
Europe	(0.47)	0.89	0.60	0.92	0.67	0.83	1.07	0.94	0.42	1.50	*3.02*	*4.11*	*4.75*	*2.51*
APAC	6.03	6.48	5.17	6.28	5.46	5.23	5.20	5.58	12.51	10.69	*22.15*	*23.42*	*31.50*	*35.13*
India	4.31	3.65	3.50	3.04	3.01	4.01	3.95	3.70	7.96	7.01	*13.53*	*16.71*	*20.18*	*20.28*
MEA @	1.24	1.87	1.79	1.93	2.18	1.69	2.41	2.03	3.11	3.88	*7.59*	*9.71*	*8.62*	*8.67*
TOTAL	**15.48**	**17.08**	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**32.55**	**30.69**	**61.79**	**71.93**	**84.92**	**81.03**
BOOKING - BUSINESS UNITWISE														
ERP	3.32	2.63	3.26	6.89	4.90	4.47	3.59	4.30	*5.95*	*9.36*	19.52	20.58	31.98	26.70
HRP	10.62	12.53	12.15	10.86	5.43	11.90	6.43	7.01	*23.15*	*17.33*	40.34	27.18	40.00	44.25
AAD	2.65	7.98	8.00	9.80	6.99	5.40	1.80	2.24	*10.63*	*12.39*	30.19	17.03	37.85	19.54
TOTAL	**16.60**	**23.14**	**23.41**	**27.56**	**17.32**	**21.77**	**11.82**	**13.55**	**39.74**	**39.09**	**90.05**	**64.78**	**109.82**	**90.49**
BOOKING - GEO WISE														
Americas	1.21	4.93	1.12	9.96	6.11	5.20	2.57	2.42	*6.14*	*11.30*	22.38	21.43	31.32	12.81
Europe	0.85	9.29	0.18	0.54	0.26	0.46	0.01	0.02	*10.14*	*0.72*	1.44	0.32	11.51	2.20
APAC	10.81	4.52	4.76	15.11	5.18	6.28	3.83	8.43	*15.33*	*11.45*	31.33	20.79	32.12	49.12
India	2.48	3.22	6.52	1.07	2.30	8.76	0.89	2.22	*5.70*	*11.07*	18.65	10.04	27.73	18.34
MEA @	1.24	1.18	10.83	0.87	3.48	1.07	4.51	0.47	*2.42*	*4.55*	16.25	12.21	7.14	8.03
TOTAL	**16.60**	**23.14**	**23.41**	**27.56**	**17.32**	**21.77**	**11.82**	**13.55**	**39.74**	**39.09**	**90.05**	**64.78**	**109.82**	**90.49**
UNEXECUTED ORDER BOOK #	**193.01**	**196.03**	**195.70**	**190.98**	**181.70**	**177.77**	**174.10**	**185.44**	**193.01**	**181.70**	**195.70**	**174.10**	**182.67**	**166.55**
CUSTOMER METRICS														
Revenue from New Customers (%)	6%	4%	10%	15%	7%	8%	13%	10%	*5%*	*7%*	10%	10%	25%	19%
Revenue from Cloud orders (%)	50%	60%	58%	56%	55%	51%	47%	51%	*55%*	*53%*	55%	49%	40%	38%
Number of new customers added	9	6	13	10	9	13	10	7	15	22	45	41	50	50

$ Figures, other than revenue, are unaudited.

Unexecuted orderbook comprises of new orders , renewals, reversals & adjustments for the base foreign currency rates in the current financial year.

@ Middle East and Africa (MEA) includes South Africa.