May 21, 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 May 17, 2023
Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our intimation dated May 15, 2023, regarding analyst/ investors call, please find enclosed the gist of the points discussed in the Con-Call held on May 17, 2023 and the fact sheet as on March 31, 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: 2023.05.21 19:34:49 +05'30'

VIJAYA RAGHAVAN N E
COMPANY SECRETARY

Encl: Gist of Con-Call and the Fact Sheet

"Ramco Systems Limited Q4 FY 23 Earnings Conference Call"

Event Date / Time: 17/05/2023, 17:00 Hrs.

Event Duration: 56 mins

Hosted by DAM Capital Advisors Ltd.

ANALYST: MR. VIVEK DOSHI - DAM CAPITAL ADVISORS LIMITED

MANAGEMENT: MR. P. R. VENKETRAMA RAJA – CHAIRMAN
MR. SANDESH BILAGI – CHIEF OPERATING OFFICER
MR. R. RAVI KULA CHANDRAN – CHIEF FINANCIAL OFFICER
MS. GAYATHRI – VICE PRESIDENT FINANCE
MR. VIJAYARAGHAVAN – COMPANY SECRETARY

Moderator: Good evening, Ladies and gentlemen, good day and welcome to the Ramco Systems Q4 FY23 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 an 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 Q4 FY23 conference call of Ramco Systems. We have with us Mr. P R Venketrama Raja, Chairman of the Company, Mr. Sandesh Bilagi, COO, Mr. R Ravi Kula Chandran, CFO, Mrs. Gayathri R, VP Finance and Mr. Vijayaraghavan NE, Company Secretary.

I now hand over the call to Mr. P R Venketrama Raja for his opening remarks. Thank you and over to you, sir.

Chairman: Good evening everyone and thank you all for joining this conference call. I want to start by stating that this financial year was challenging, since we started on the back of one of the lowest bookings last year. The positive thing we have this year is, we have started at a much better base, since our order booking has come back to close to pre-pandemic levels. We took time this year to reinforce our product strength and invest in our execution capabilities in our global payroll and HRP product, MRO for aviation and defense, as well as our core ERP suite. We are pleased with our broad-based business momentum across all geographies we operate in, which has resulted in improved bookings and faster go-lives this year.

During FY23, our recurring revenues improved with each passing quarter. We stayed focused on refreshing our product suite, building our leadership teams, specifically in our key markets and winning marquee clients and strengthening our client relationships. These investments are certainly showing good momentum in our bookings, bringing out better predictability in our business.

I'm happy with the robust revenue visibility at the start of the year based on client commitments and we will continue to invest in our core products and platforms while driving a greater agility in our delivery and operations. The promoter group continued its support to the company by way of strengthening the equity investment. This along with confidence from external investors, helped raise INR130 crores through issuance of equity shares and warrants on a preferential basis.

I'd like to now hand over the call to Mr. Sandesh, our Chief Operating Officer, to walk you through the operational results and details of this quarter and the financial year.

COO: Thank you Mr. Chairman. Good evening everyone and thank you for joining the Q4 FY23 conference call. We are quite excited about the health of our business as we enter FY24. Let me highlight key positive points that will drive revenue momentum for Ramco Systems.

One, we closed the year with strong order bookings. At $90 million for FY23, our bookings for the year grew 39% year on year, with HRP leading the pack. A robust booking of approximately $51 million in H2 of FY23 as compared to $25.4 million in H2 of FY22. This provides us good exit momentum to support FY24 revenue growth.

Two, this momentum comes on the back of 5 '$5 million plus' deals signed in FY23 as compared to one we signed in FY22. In addition, we signed 19, '$1 million plus' deals in FY23 compared to 14 in FY22. Because of this, our average deal size has increased to $1.26 million, which is higher than the historical average of the past seven years.

Three, our revenue visibility based on client commitment is up 16% at the start of the year for 2024. This is based on our go-live schedules as on 31st March 2023.

Four, our recurring revenue stream has improved with every passing quarter during the year. We started the year with Q1 at $8.03 million and ended with $9.18 million for Q4.

Five, we increased the proportion of our cloud-based revenue to 58% of overall revenue. This is up from 49% at the end of the previous year. The quality of growth during FY23 is fully aligned with our strategic focus on defined business segments and geographies. New customer acquisition has been across industries in the AAD, ERP and global payroll coupled with strong booking momentum across geographies.

We won some marquee customer logos in FY23. Here are a few examples of key wins and project executions during the year. We signed strategic engagement with Etihad Airways Engineering, Philippines Airlines, General Atomic Aeronautic Systems, all this for our aviation suite. Two of leading global financial services companies from Europe and Australia awarded multi-country payroll deals to Ramco. We were also trusted by Kudu Company for food and catering business and Shearwater Health.

We bagged key order from Addison & Company and Freight Specialist for ERP. We have successfully implemented several key projects including for open works in the US. During FY23, we have also been consciously investing in our product suite to address emerging client needs and business changes. Two key investments that we made during the year include, new investment in SASSY, which is to fasten the implementation and system assisted project implementation. Key product enhancement and feature release as part of our Ramco Aviation, Aerospace and Defense, powering aviation companies and MROs in their digital transformation journey.

Now, looking ahead in FY24, our focus will be to further strengthen our core - leveraging transformative technologies to drive greater superior customer experience. There will be greater emphasis on enhanced operational discipline and post optimization, thereby enabling an improvement in our margin in FY24. In closing, I am pleased that with strong order booking and increased revenue visibility at the start of the year, Ramco system is well poised to enable our client in their digital transformation journey while driving sustainable revenue and profitable growth.

We are open for questions now.

Moderator: Thank you Sir. Ladies and gentlemen, we will now begin the Question-and-Answer session.

Question: Kindly let us know the no. of years, Company will take to become profitable?

Answer: We have stated, from the perspective of next year, we are seeing for growth in the revenue as well as we have taken some optimization measures and other things related to the cost and we are expecting to be operationally profitable in the coming year. That is what we are targeting for. This is based on some of the order bookings which we have picked up in the current year. We do see from the unexecuted order book position that, we can increase 25% to 30% by realizing in the next year. With that, we should be able to see the acceleration in our revenue and with better cost management, we do expect for the next year to be operational profitable.

Question: Almost all IT product companies in India are giving good results except Ramco Systems and Investors are waiting for around 20 years. Kindly take this seriously and do better performance with the new management and new leadership team what we had now.

Answer: Thank you. We understand and we do take this seriously.

We have some challenging times which we are going through. We are glad that we are improving our order booking and coming back to pre-pandemic levels and with the fact that the IT market and the people's attrition is also much less, the people cost also now contained. We should be able to get back to operational profitability.

Question: One suggestion Sir. You go behind big customers. But Zoho is going for smaller companies. You can also develop small products and tap the huge retail market.

Answer: Yes, that is certainly an idea, our products have been made for large companies. To transform it to become a SaaS, that is what we mean by SaaS products and make it easily implementable, with all the investments we are trying to make it because, the market we realize is ripe for that too and these are steps we are taking. We take your suggestion seriously. We will look into it.

Question: You are actually good for that. But you can pick smaller things also.

Answer: Sure.

Question: Can you please brief about our bad debts and write-offs ? like how much more is to go for us in this year and have you finished all the write-offs that we have to make?

Answer: We are providing for the provisions of $2 million per quarter and I think we have given the guidance that in the FY '24 it will also continue to the first 3 to 4 quarters and that is the maximum outlay what we are expecting. By next year, we should be completing these provisions.

Question: Around $8 million, $9 million is still pending in FY '24, is that correct?

Answer: Yes, that is correct.

Question: Even after these 8 million kinds of number in terms of provisions, are you still confident of doing things operationally profitable in FY ’24 - is that correct?

Answer: Operational profit ie., at the EBITDA level. We should be able to break even and do better positive cash flows. That is excluding this provision.

Question: Excluding this provision, you feel that it is profitable? You gave five - six reasons for your confidence for FY ‘24, what kind of growth are you looking now in terms of top line in FY ‘24?

Answer: I would not give the forward looking, but I will answer it in a different way. When we are starting the year with the assured execution amount which is around 16% higher than what we started the year at the beginning of April 22. Our starting position is higher. Last year we booked around $90 million of the order and that is what resulted in this opening position for us. And of course, further in the current year, we are expecting our order booking position to continue like last year and that also should drive additional growth. That is why we are saying we should be able to see some healthy revenue growth also in the coming year.

Question: Provide some flavor around your order booking between the three segments - HRP, Aerospace and Defense and ERP?

Answer: We have given it in the fact sheet. We made a booking of $40 million for HRP business. AAD is $30 million and ERP is $19.5 million. Totaling to $90 million for the year. This was as per our plan. We have also given the indication in the last year. For FY ‘23, we will focus on two verticals, that is Aviation and HRP to quickly snooze up the market and that is what we did during the year. That is the result - $70 million out of this $90 million is coming from these two verticals.

Question: I know these write-offs are historical issues. But just to understand, how as a Company, are we are trying to avoid a similar situation in the future. Because these are not small numbers that we have taken in the last couple of years. You can explain a bit more as to what we are doing, so that we don't get into this kind of situation going forward.

Answer: There are typically two-three areas in which we have taken actions. The areas of the order what we are picking into are not into newer area, rather from very familiar territory. That is the utmost focus which we spoke about in the last year which we are continuing. That is the stated objective and we are moving very firm on that.

We are picking up the order in very familiar territories in repeated verticals and the product lines. We have not digressed into investing in any newer area. Also geographically, areas like Sudan in which, an order was picked up some time back. We are very careful in choosing about the geography and picking very safe and trusted area and accordingly, picking up the orders. These are some disciplines which we have embarked.

On delivery excellence, we have embarked on multiple programs across the company on the product line to see that delivery excellence that we are embarking.

The business model of deferred revenue what we were having, we are actually moving into more recurring revenue model. We are not carrying any upfront revenue rather we are just going as we move forward. That also will reduce a significant amount of risk in our business, thereby write off should dramatically come down. These are the three concrete actions which we have taken and we are confident that we should not enter into this situation again.

Question: We raised INR130 crores. The money has been infused or the warrants will get converted at a later date?

Answer: The issue size was INR160 crores and we have got INR120 crores towards equity and INR10 crores towards the warrant and totally we have got INR130 crores. Balance INR30 crores will be exercisable within 18 months. This is the total amount received by us and we have used it for the objects of the issue. We have used INR73.5 crores and we are left with INR56.5 crores at the end of the 31st March 2023.

Question: What price these warrants were issued at?

Answer: INR274 rupees per share/warrant.

Question: Please explain the revenue recognition in a simple way. Let's say there is a 1-million-dollar client. You have announced that there are $19 1 million deals signed. Typically, how long does it take for entire 1 million dollars to accrue and from future, can we say that whatever comes as a part of revenue will always be equal to the cash flows received for that year? Is that what you said?

Answer: Yes. That is what we are moving towards. Spikes will not be there. We are actually going into the recurring model. So, roughly 20% of the deal can be post go live. It will be recognized in five installments each year.

Question: $1 million is typically divided by five and each year $0.2 million will be the revenue for this $1 million client signed in this year proportionately?

Answer: That is correct and that is the recurring revenue. There might be a few cases where still on-premises licenses will be there – but far and few. Those are also coming down. They are more into aviation and ERP right now. In our HRP business, we have completely moved to the recurring revenue model in the last couple of years. That transition we have completed.

Question: Our average revenues have been in the range of INR500 crores to INR600 crores over the last three - four years and if I just do a basic calculation, it is like we have lost around INR300 crores in bad debts. Is this correct? Including the 64 - 65 crores that we will provide for the future.

Is this broad assessment correct, I mean, 50% of one year's revenue became bad debt. If the answer to this is yes, what has led to such a thing? Explain little bit in two - three statements?

Answer: In terms of numbers, you are correct. 8 million roughly translates to INR65 crores. So that way, this year INR65 crores and last year around INR60 crores. So over three, four years, the accumulated could be around INR250 crores. So that way the numbers are correct. We have historical reasons for accumulating this type of debt. We have explained in the previous calls. One is, a couple of new products we have introduced in some territories where we could not progress well and conservatively we are providing for those cases where we will not be able to legitimately claim from the customers.

Question: On the product side, if a novice like me have to ask you that, where are we in our product lifecycle in terms of development piece? And I think you hinted that you are doing the peripheral areas where you can target the bigger customers into the SaaS model. But are we satisfied with our progress in terms of product development, especially in the HR and the Aviation category?

Answer: Yes. I'll answer it in two ways. The one in aviation and another is in HRP, more or less the major product development cycle required for both of these businesses are complete. However, we are in the product business, so we would have to continue some enhancements, but the large-scale development required will not be there. So, the modernization, a little bit of more area, what we have to do, we will. In HRP, though the product development is not there, what we are doing is creating this model for quicker implementation and other. It is not building a product. It is more of the work of packaging is currently happening across these product lines. So, we don't expect a very large outlay of capital expenditure in both of these domains. And if you have seen our customer list, these are Fortune 500 and Fortune 100 customers which are in both of these business segments. So some of the most large orders, what we have seen are both coming from these business segments for us.

And the packaging, the amount what we are spending eventually help us improve our operational profitability, because the attempt what we are making. By investing into these areas of packaging, implementation time plan we would like to crunch significantly, like in one of the business segments, what we are attempting to do is to bring down the implementation time from current six to seven months to two months' time frame. Eventually it will help us realize the cash much quicker. The investment what we are making in packaging is going to improve our operational efficiency.

Question: One focus is clearly on getting the implementation cycles lower. In the similar front, can you also speak about the critical investments required for marketing or again there we have invested enough and it's just a matter of execution and time?

Answer: Last year, as you see, we increased our marketing and sales effort and we did in fact invest in US geo and also in Europe. We also have gone and increased our manpower in sales and marketing in Australia and in Middle East. That is a continuous effort which we have continued to and based on the business growth coming from each of the region, we will continue to do that. Most of the profit what we are planning to generate will be invested further into marketing and sales.

Question: When we say investments in marketing, is it more towards the employee count increases towards the marketing or what are the other areas of marketing spends or investments that we speak?

Answer: Overall marketing spend, if we analyze, we don't spend more than 20% of the total marketing spend on the manpower. So, what I am talking about the investment is into content, investment into investor relationships, events, branding, digital marketing. These are the expenditures where investment is made. We are very carefully monitoring the productive and non-productive investment in marketing.

Question: Question regarding quarterly order intake. America has seen a sharp downtick in order intake, from nearly $10 million last quarter to around $1.12 million this quarter. So, can you please help me understand the reason? Same with APAC as well?

Answer: The U.S. $10 million to $1.1 million, we are seeing some slowdown in the Q4. However, there are interactions which we are seeing there. We expect it should start picking up. However, in Asia Pacific, overall booking-wise it is a robust booking we have seen. It is more coming from the Pacific region right now. Asia, which is to be the traditionally in the range of around $40 million, we have not reached the pre-pandemic level. But it is not as bad as in the last year.

We have seen some good closures coming from Asia. Based on conversations what we are having in Asia and also pipeline buildup there, it should only improve further from here. We are not seeing that kind of decision paralysis right now in Asia Pacific region. We are having good amount of momentum here.

Question: Even India and Middle East have seen a sharp uptick. Are they sustainable or are there any one-offs or something like that?

Answer: India is back to the number what we were earlier. That should continue. In the Middle East, we had one very large order coming from Etihad. But there are some good large deals we are pursuing in the Middle East. It depends upon how those convert and in which quarter they convert. But we have good traction in the Middle East. It needs to be seen how it progresses in the current year. But we do have good traction there.

Question: Can you please help me understand the lag between signing a deal and Go-Live? Business-unit wise, across the business-unit scale.

Answer: Currently, the HRP business is around 6-7 months. That we are trying to bring down to 2-3 months from 6 months' time. That is the attempt we are trying to do. In the case of Aviation, we have both segments. A smaller end of the market where around 6-9 months implementation is also possible. Which is what we are expecting in 3-4 months. There are also 9-12 months transformation deals and even sometimes higher than that in the aviation business. Similarly, in the ERP business, it follows like aviation. It is in both segments.

Question: If I look at the license revenue for the quarter and also for the year, for the quarter it is just $0.4 million. Is it safe to assume that all the businesses are booking on the license basis or is it just a coincidence for this year that we are booking more on the license mode?

Answer: License revenue in the current year is lower than the previous year. There are two reasons. One of the business segment, that is the HRP, we have entirely moved to recurring based. We do not anticipate big uptake of the on-premise deals in HRP. So, licenses revenue coming from that business unit is very unlikely. Second, even in case of Aviation deals, which we typically used to get licenses deal, it is moved to annuity based licenses.

That is a change which we have seen in the buying pattern. If earlier we were getting a million-dollar deal and million-dollar licenses revenue, we would have got money and recognition both immediately. But now, customer requests are, at the beginning of every anniversary, they would like to make 20% of the payment. So, there also we are seeing a change in the buying behavior. I do not know whether that is the continued pattern because, we are also having in the pipeline and discussing about pure licenses deals also. In aviation, ERP and logistics, we are still having deals with licenses revenue of upfront payment.

Question: For a deal which ideally would have charged 1 million of upfront license, which is generally perpetual or a certain term based, that you are now dividing over the term. So, what is the term that you are dividing that into an annual fee?

Let us assume you had a customer which you would have charged a 1 million license on a perpetual basis or a certain term basis. What is that term which you are dividing it? Because now you are asking for annual. So, you must be taking a much smaller piece. So, you must be dividing the license opportunity into a number of years. So, what is that tenure of?

Answer: We are signing usually for the 5-year term. If it is for the immediate payment, perpetual license, then the whole we are taking it in the 1 year. Otherwise, it is on the 5-year term. 20% each ye

Question: When you say 5 years, essentially if I was selling a perpetual license for 100 rupees, now the customer is saying I do not want to sign a perpetual license, what you would charge as an annual license? Because he would continue to use it beyond 5 years also, right?

Answer: Even after the 5th year, they will continue to pay. It will not be perpetual. If it is an annuity, then it is a continuing one.

And to your question, we will be charging 40 rupees in your example. When we charge a perpetual license, one time license is 100 rupees and 5 years AMC is typically another 100 rupees. So, we will typically charge 40 rupees per year.

Question: If you would have charged a 5-year license, which is your typical deal at 100 rupees and now the customer is insisting on annual payout, so is it 20 into 5 and then another 20 will come on the 6th year? And in a nominal scenario, you would have taken 100 rupees upfront. And in the 6th year, you would have charged another 100 for next 5 years.

Answer: If it is a perpetual, typically what happens, the 100, you know, you would charge in the year 1 and year 2 onwards, you will charge 20% of the maintenance fees in 5 years, and from 6th year, you will continue charging only 20 rupees going forward.

Question: Ok, I will take this calculation part off-line. On the HRP business, where we have witnessed a 50% growth in the booking, which is commendable. So, can you help me understand what is driving this traction? Is it more led by our own initiative? Or is it coming from the Workday Oracle channel that we were banking on a couple of years back?

Question: It is all areas. What we are seeing is a good traction coming from the Workday and Oracle, where HR has gone live. Now people are looking to transform their payrolls. That is the one area we

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are seeing the traction is built there. Second, we are also seeing our own effort in multi-country payroll, because I think that's another thing we are seeing from the global customers for the countries where we have our payroll to bring one vendor and one platform for all their countries. That is what is driving growth. That is what is on the expected line in which we were pushing this product.

Question: How many countries have we reached now from the payroll perspective?

Answer: We have on our own platform built 60 countries, but we have also acquired the capability to service our customers for over 100 countries through what we call as the ICP. So, for 'gross to net' component of the pay, we are building capability to actually execute 'gross to net' and service our customers for another 40 odd countries. So, over 105 countries we are able to support our customers if they are coming on our platform.

Question: Because of these initiatives, especially on the Workday or Oracle side, is it helping us to get into newer markets where we were traditionally not present much, like Europe, where we were building few payrolls? So, is that happening or is it still in the pipeline?

Answer: Europe we are continuing. We are seeing good traction in Europe. Hitherto, this was not accessible to us. We are able to see that from the European countries. And on the back of these deliveries, as we start, we will continue to build large headcount countries, payroll on our platform. So, that will continue. But we are not waiting for building the payroll and going into market now. Because we are having this ICP, we have started executing, so we are approaching the market much faster. Because it took us around eight to nine years to build most of the statutory and 'gross to net' for most of the Asia-Pacific countries. So, we want to quickly move into the other regions.

Question: On the AAD business, which market is driving this demand? And are you also looking at Indian market, lots of action happening both on the civilian as well as defense side?

Answer: India market definitely yes. We are looking for civilian and defense both and we are having traction in this market. Heli segment, which is traditionally our forte, is anyway we have covered most of the large players there. MRO is growing for us. That is across all geographies - Middle East, Europe, Asia and US. We are seeing growth in all geographies in this segment. The defense portion of US is bit slow. We anticipated that is going to be 12 to 18 months and and it is - with the US slowdown, it is tracking bit slower. Having said that, we are seeing the traction in the defense segment, even in other parts of the world, India, Asia in couple of countries and in Pacific region.

Question: We saw last year FY 22 our bookings were very low, But FY '23, it has picked up in every quarter. And the revenue as a result was weaker in FY '23. But now going into FY '24, you think there could be a sharp jump because of the bookings that we have, or it would be a very gradual move?

Answer: Like the rest of the business, because of the bookings, what we have done in FY ‘23, we are having very healthy executable number at the beginning of this year. So, in the AAD business, we are expecting very healthy growth.

From the current revenue perspective, what we are seeing, we are expecting growth next year on this business line.

Question: ERP , the bookings are not very encouraging. What is the roadmap here in terms of when we expect to recover, how much more investment need to happen here?

Answer: Beginning of the call, I said that there was a deliberate effort. We allocated our marketing and sales spend in the FY ‘23 into two business segments, that is the Aviation and HRP. And that is why it resulted in concentrated closures.

Around $70 million out of $90 million came from these two business segments. That was our deliberate effort so that we are focused in current year towards that. However, current year plan we have allocated funds even for the ERP business. It should be better than what we have seen in the last year in the coming FY 24.

Question: In terms of readiness of the product, there is nothing more to be done or it's a general thing that you would do, or some special efforts are still required to make it for the real go-to-market?

Answer: We don't need product development. It was even developed last year also. It was more of go-to-market and market fit analysis what we are doing, which product to which market and which specific geo what we have to and that we have picked up and we don't expect huge development even in ERP group of products for us.

Question: Question on the EBITDA positive kind of an outlook that we have shared. If I look at the current EBITDA losses and also look at your total cost, your total cost, even if I assume a 10% increase on an annual basis, although it's trending much faster historically and even assuming that we have the adjusted EBITDA of INR136 crores, I mean adjusted to FX and provisioning. So, for this to break-even, you need to add revenues of upwards of INR200 crores. So that INR200 crores would be like 40% kind of a growth that we need to do for that. So, is it coming from significant reduction in the cost, or you expect this kind of revenue growth can potentially happen?

Answer: We indicated that overall the cost optimization measures is there on multiple areas. We had some cost on the onsite because of the pandemic time. We did incur good amount of onsite cost because the travel was restricted. So, we are optimizing it and some areas of product - due to productivity improvement what we are seeing. Some headcount optimizations we are also expecting. Overall, around $6 million from salary and non-salary overall cost what we are expecting reduction and after that the growth perspective what you took and that would lead us to EBITDA positive to neutral. That is what we are planning.

Question: This $6 million is on the annual base to annual base.

Answer: Yes.

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Question: In this quarter some actions were taken as a result we saw some employee cost going down. Is it one-off or is it part of this rationalization?

Answer: It is the same but the overall impact - full impact of that you will see in the Q2 of the FY 24. The actions are being executed, the impact of that will be seen in Q2.

Question: Of course, your bookings are very exciting but that has been the case in the past historically also. We have faced this issue where our booking growth has been very good but translating that into revenue has been the challenge historically. So, you see a risk on that part next year or you think on a steady state basis, we should be able to add growth on sequential momentum. My question was bookings are exciting, but historically we faced this issue, but with sequential momentum, you see growth, as license is already at the rock bottom and so there is no impact coming from the license revenue front. And that is why every deal win incrementally now should add to the sequential revenue growth momentum here on.

Answer: Overall un-executed order booking percentage of conversion which used to be around traditionally 15% to 20%, we are expecting that to be in the range of 20% to 25%. We do expect it to going up depending on how we will consume the un-executed order book. That is on the back of some concrete steps which we have taken. I think what we spoke about packaging and delivery excellence initiatives, what we have undertaken, that should allow us to and automation initiatives, that should help us to realize those booked orders into our revenue moving forward.

As we close the deals, more-and-more, it should start moving towards our recurring revenue. So, our dependence on licenses over the period should start coming down. That is what we are attempting to see that most of the revenues we push into recurring as we move forward and then our dependence on new order on licenses will reduce in the coming years.

Question: If the current license is just $0.4, that's the maximum impact we can take now. So sequentially every quarter we should see growth because you already have order in the back.

Answer: Correct.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for closing comments.

COO: Thank you very much everyone for attending this call. We would like to express our gratitude for being patient with us. We have been transparent in saying the transformation what we are undertaking. Me and my team are fully working towards realizing whatever we have committed to the investor community. We'll continue to strive for that and work towards next year, bringing it to the EBITDA profitability and then further growth in subsequent years. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, this concludes your conference call. Thank you for joining us and you may disconnect your lines now.

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 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 .

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FACT SHEET AS ON 31ST MARCH 2023

CONSOLIDATED INFORMATION

Figures in USD Million, except where stated otherwise

	Quarter Ended								Year Ended			
	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21	Sep-21	Jun-21	Mar.31, 2023	Mar.31, 2022	Mar.31, 2021	Mar.31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited $	Audited $	Audited $	Audited $
REVENUE - STREAMWISE												
Recurring	**9.18**	**8.71**	**8.36**	**8.03**	**8.04**	**8.44**	**8.00**	**8.15**	**34.34**	**32.64**	**31.30**	**27.26**
AMC / Subscription	*5.85*	*5.49*	*5.26*	*5.08*	*5.26*	*5.55*	*5.37*	*5.49*	*21.71*	*21.66*	*21.94*	*20.11*
BPO Services	*1.90*	*1.90*	*1.79*	*1.79*	*1.72*	*1.68*	*1.52*	*1.51*	*7.38*	*6.43*	*5.60*	*4.29*
Hosting Charges	*1.43*	*1.33*	*1.31*	*1.16*	*1.06*	*1.22*	*1.12*	*1.16*	*5.25*	*4.55*	*3.76*	*2.86*
Non-recurring	**6.25**	**6.94**	**6.64**	**7.67**	**8.55**	**8.56**	**11.15**	**11.07**	**27.45**	**39.29**	**53.62**	**53.77**
License	*0.37*	*1.48*	*0.96*	*1.73*	*1.21*	*1.42*	*2.43*	*2.66*	*4.50*	*7.69*	*18.56*	*17.14*
Service	*5.78*	*5.33*	*5.53*	*5.84*	*7.15*	*7.03*	*8.63*	*8.35*	*22.47*	*31.14*	*33.55*	*36.18*
Resale of Material	*0.10*	*0.13*	*0.14*	*0.10*	*0.20*	*0.12*	*0.09*	*0.06*	*0.48*	*0.46*	*1.50*	*0.44*
TOTAL	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**19.15**	**19.23**	**61.79**	**71.93**	**84.92**	**81.03**
REVENUE - BUSINESS UNITWISE												
ERP	4.31	4.04	4.33	4.48	4.78	4.84	7.03	6.97	*17.13*	*23.57*	*31.74*	*32.00*
HRP	6.20	6.39	6.45	6.50	6.52	6.33	6.30	6.41	*25.53*	*25.55*	*27.59*	*30.26*
AAD	4.92	5.23	4.23	4.73	5.30	5.83	5.83	5.85	*19.13*	*22.81*	*25.58*	*18.77*
TOTAL	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**19.15**	**19.23**	**61.79**	**71.93**	**84.92**	**81.03**
REVENUE - GEOGRAPHYWISE												
Americas	4.37	3.50	3.69	3.94	3.97	4.74	4.63	4.63	*15.50*	*17.97*	*19.87*	*14.43*
Europe	0.60	0.92	0.67	0.83	1.07	0.94	1.01	1.09	*3.02*	*4.11*	*4.75*	*2.51*
APAC	5.17	6.28	5.46	5.23	5.20	5.58	6.03	6.63	*22.15*	*23.42*	*31.50*	*35.13*
India	3.50	3.04	3.01	4.01	3.95	3.70	5.21	3.85	*13.53*	*16.71*	*20.18*	*20.28*
MEA @	1.79	1.93	2.18	1.69	2.41	2.03	2.27	3.02	*7.59*	*9.71*	*8.62*	*8.67*
TOTAL	**15.43**	**15.66**	**15.00**	**15.70**	**16.59**	**17.00**	**19.15**	**19.23**	**61.79**	**71.93**	**84.92**	**81.03**
BOOKING - BUSINESS UNITWISE												
ERP	3.26	6.89	4.90	4.47	3.59	4.30	6.08	6.61	19.52	20.58	31.98	26.70
HRP	12.15	10.86	5.43	11.90	6.43	7.01	8.98	4.76	40.34	27.18	40.00	44.25
AAD	8.00	9.80	6.99	5.40	1.80	2.24	4.61	8.38	30.19	17.03	37.85	19.54
TOTAL	**23.41**	**27.56**	**17.32**	**21.77**	**11.82**	**13.55**	**19.67**	**19.74**	**90.05**	**64.78**	**109.82**	**90.49**
BOOKING - GEO WISE												
Americas	1.12	9.96	6.11	5.20	2.57	2.42	8.54	7.89	22.38	21.43	31.32	12.81
Europe	0.18	0.54	0.26	0.46	0.01	0.02	0.18	0.12	1.44	0.32	11.51	2.20
APAC	4.76	15.11	5.18	6.28	3.83	8.43	3.86	4.67	31.33	20.79	32.12	49.12
India	6.52	1.07	2.30	8.76	0.89	2.22	3.52	3.41	18.65	10.04	27.73	18.34
MEA @	10.83	0.87	3.48	1.07	4.51	0.47	3.56	3.66	16.25	12.21	7.14	8.03
TOTAL	**23.41**	**27.56**	**17.32**	**21.77**	**11.82**	**13.55**	**19.67**	**19.74**	**90.05**	**64.78**	**109.82**	**90.49**
UNEXECUTED ORDER BOOK #	**195.70**	**190.98**	**181.70**	**177.77**	**174.10**	**185.44**	**189.72**	**189.33**	**195.70**	**174.10**	**182.67**	**166.55**
CUSTOMER METRICS												
Revenue from New Customers (%)	10%	15%	7%	8%	13%	10%	8%	10%	10%	10%	25%	19%
Revenue from Cloud orders (%)	58%	56%	55%	51%	47%	51%	46%	51%	55%	49%	40%	38%
Number of new customers added	13	10	9	13	10	7	12	12	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.