

February 10, 2021

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 Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip: 532370

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our intimation dated February 04, 2021, regarding analyst/ investors call, please find enclosed the gist of the points discussed in the Con-Call held on 05th February 2020 and the fact sheet as on December 31, 2020.

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 N
COMPANY SECRETARY



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**Debrief of Analysts & Investors call for Q3/2020-21,
Held at 2 pm on Friday, 5th February 2021 - through Microsoft Teams**

From Ramco Systems Limited, **Mr. P R Venketrama Raja**, Chairman, **Mr. P V Abinav Ramasubramaniam Raja**, Whole-Time Director, **Mr. Virender Aggarwal**, Chief Executive Officer, Mr. A V Dharmakrishnan, Director **Mr. R. Ravi Kula Chandran**, Chief Financial Officer and **Mr. Vijaya Raghavan N E**, Company Secretary participated in the call.

R. Ravi Kula Chandran (CFO) welcomed the attendees and thanked them for joining the con-call. CFO informed that the agenda for the call would be opening remarks by CEO explaining the Q3 performance, followed by opening remarks of Chairman and followed by question and answer session.

Business Updates by CEO:

Virender Aggarwal, (CEO) provided highlights of the business performance for Q3 FY2021.

- Q3 Revenue showed 8% QoQ growth
- Cash surplus resulting in repayment of borrowings to the extent of Rs.38 crs.
- Q3 Bookings recorded 45% QoQ growth

The major highlight of the Quarter was being Cash Surplus, resulting in debt coming down to less than Rs. 12 crores. We made about Rs. 84 crores of debt repayment in the first three quarters. Revenue per employee had crossed \$4,000 per employee per month for the first time. Almost every key parameter be it EBITDA or Net Profit - was highest. The bookings in particular have seen a phenomenal growth of 45%. Q3 had the highest ever booking of about USD 38 million, primarily on account of one large aviation deal in Europe. That marks our presence in Europe and also helped us consolidate our growing strength in the aviation market. Two business lines - Aviation and Logistics, performed well and doubled their bookings in the first nine months of the year compared to the first nine months of the last year. In the last quarter, HR payroll business achieved one of the largest ever booking. Q1 and Q2 was muted for our HR and payroll business. Q3 has witnessed continuous growth in the HR and payroll business. We presume that impact of Covid on order booking seems to have been shrugged off by the market and we should see continuous growth in the HR & Payroll business. Apart from that, we have signed up a few large transformation deals in the ERP space. All business lines seem to be performing reasonably well in Q3.

Chairman's Remarks:

P.R Venketrama Raja, (Chairman) concurred with what the CEO said about having a very good quarter. We saw our Aviation & Defense business getting big deals and that has shown a good growth and logistics product is also growing well. We have a good pipeline to continue in the following quarters for Aviation & Defense, Logistics, HR and payroll. We seem to be quite optimistic and we wish that our booking will continue to grow in this manner. Given that many of these deals are larger now, there could be some lumpiness in the bookings. But more and more we are getting confident in our growth picture. We are looking at upgrading our technology over the next 12 months or so. We are taking initiatives to make our product highly modern to attract our customers. The innovation in R&D seems to be very encouraging, so that we can transform to the next generation of technology. Cash collections are also very good. One of the reason for that is, our project go lives are going faster. We put in great efforts in technology and automation which have started working well in the market.

CEO continued that there are few partnerships for the US Defense business. About half the booking this year from the USA Aviation business was from Defense. About 30% of the global aviation pipeline is now defense. Partnership with Workday and Oracle are complimentary to our payroll solution which gives a massive amount of sales push, which generates good opportunities for Ramco. These partnerships are of recent origin and we have started seeing results. The pipeline growth through the partners, both in HRP and Defense partners in the USA are the the areas which differ from last year.

Chairman clarified that, when we refer to defence, it means working with defence contractors and not directly with US defence. But working with defence contractors for all their logistics, maintenance and complex parts management and so on. It's a sophisticated product which is one of its kind in the world. Therefore we are getting lot of interest with large defence contractors. Because the complexity of those systems is quite high, unique product features are needed to manage those seamlessly.

CEO added that, we have entered into two new segments this year - unmanned aerial vehicles (Drones and Aerial taxis) and Space launch vehicles.

The questions and answers session then followed, which is summarized below:

We have won large orders in aviation. Can we say the potential from medium to long-term perspective changed for us, especially in the defense partner side? What are the opportunities left, since we have contracted with all top players?

We have closed two large deals of more than USD 5 million this quarter and one, more than USD10 million. About 60% of the deal volume this quarter is from deals more than USD 3 million. The average order value has increased to USD 1.7 million for the quarter. Small orders are reducing and the deal size has improved significantly, which shows the increasing confidence of customers globally. Whether we have turned the tide for the medium to long term, we have reasons to believe confidently that markets are placing increasing trust in us. We have contract to maintain close to 200 fighter jets on our system. This endorses the faith in our technology, resulting in being considered for drone and space launch vehicles segment. Being awarded from fortune 100 companies, HR and payroll business for multi countries including some reputed banks globally, is a testimony to the fact that people believe in us. That means that we are getting a market confidence. On the defense side, we have four of the 4, adversary air operators in the US with us now. Air adversary services refer to the training of the fighter jet pilots. The system integrators for defense are using our software to manage their fleet. The defense segment is a much larger segment than civilian, which will open up markets globally as well.

We closed this quarter with three deals of USD 4 million+, two deals of USD 5 million+ and 5 deals of USD 3 million+. Overall, reasonably good size deals were closed. The major contribution is coming from HR Payroll and Aviation, this quarter. Also, we have some transformation deals from ERP as well.

Logistics has also picked up some large clients. In Logistics, typically, we were working with smaller size companies, less than \$300 million in revenue. Now, we have some customers who have revenue upwards of USD 5 to \$10 billion plus.

As you said, you have key top four air adversaries, and fifth onwards are much smaller. So does that hamper, the prospect to some degree? Secondly, from the HR Payroll point of view, when we say that the deal which we have got from Johnson in Japan is the largest in that market so far for us, how does that unlock opportunity for us? Is it

only the COVID related factor, which you highlighted in preparatory remark, impacting us from a revenue side?

So for the first question, four out of four is very small proportion of defense - may not be more than 1 or 2% of defense. So the fighter jet training market is still open for us. We are doing many other defense related work, in addition to fighter jet pilot training. We are doing sustainment programs with the US air force and US defense through partners. So it doesn't limit our market because that is a very small segment. The second question you asked about Johnson control. We picked up a deal much larger than that in this quarter which covers 18 plus countries - should be amongst the world's top 15-20 brands. To the extent I can say, every child in the world should know its brand name. In Q3, we feel discretionary spending is back in the market. That is why not so essential projects are also going through - the reason we have seen uptake in HR and payroll. We are seeing further pipeline - many of them are upwards of 10 million as well for the HR payroll product. So, we are being considered for larger deals, demand is there, the deal sizes are large, but sometimes it may happen that there may be lumpiness in the booking. Maybe possible for us to miss a quarter in the booking, which may not be very good, but overall, the demand looks good.

On the ERP side, our booking is soft in Q3 and year to date for ERP also down by 14%. What is the cause for this volatility and soft performance, despite our improved commentary on the logistics side? Does the current quarter numbers also include the DLF deal or it is coming in Q4?

DLF win was in the previous quarter. We have logistics business which has doubled in booking, and logistics is not the cause for the ERP booking being down. ERP relates to mostly digital transformation deals, and outside India, people have been shy of discretionary spending on very large size deals. However, in India we have seen some of the deals happening. We have started seeing industrial houses not happy with the amount of money that they spend in the big 3-4 ERP providers and are beginning to have faith in us. We had signed the deal with MMC group, which has four ports in Malaysia, a very significant size deal in Q2. While ERP is not matching up to the pace set by Logistics and Aviation, certainly we have opportunity. ERP encompasses all our products. HR Payroll, Logistics and Aviation are also part of the ERP. We are talking about solutions for the manufacturing sector, digital transformation and so on, which have been little soft. We are putting a lot of emphasis on Enterprise Asset Management - that sector is looking up and we may start seeing some growth in that sector. So ERP is not a separate segment, all these are parts of ERP. It's just the various solution segments and traditionally we think ERP means something to do with manufacturing sector. It's more a terminology but all our offerings are from same platform called ERP.

Regarding implementation timelines - what is the timeline for converting the bookings into revenue? You mentioned that there's been acceleration in the implementation timeline. I want to understand a little bit more - has it come down from nine to eight months or nine to five months?

In addition to the product being modernized in terms of the look and the user friendliness, you had also mentioned making it more like SaaS ready and which could be easily configurable. So I would appreciate an update on that.

Our HR product line is beginning to implement some of the projects in as little as three months' time and aiming to be able to do it in two months' time. Recently we used some pre-configured application and went live nine countries in nine weeks for a European major. And it has been similarly done two more in the past few weeks. We have used what is called the country-wise pre-configured systems. Our recurring revenue has grown up CAGR at 27% over last five years for the HR and Payroll business, while the license revenue and non-recurring revenue have come

down - the license and app revenue is minus 19% over five years, while recurring revenue is up 27%. So our HR and payroll business is becoming more and more like a SaaS business.

The aim was to convert that business into a pure SaaS model, because we could get the 'Silicon Valley' valuations. Second, we have our Logistics business, which will go into the same path of recurring revenue business. We are now putting almost all new accounts, not on our user base, but on per parcel or per transaction or per consignment basis in the logistics space. As the business volume grows, our revenue grows. And if business volume comes down, our revenue comes down. So that's another business model we are converting into usage based SaaS. The latest trend in the SaaS model is not subscription-based SaaS, but the usage based SaaS. So, in Logistics we are beginning to cash more on the usage basis. In case of HR & payroll, it is usage based on number of payslips generated per month. So these are two business model changes that have happened. In logistics space, we went live with one of the largest logistics companies globally - amongst the top 10 - for one of their India warehouses and now going in for the Taiwan warehouse in about eight weeks. Again, we have moved on to pre-configured set up with pre-configured masters, etc. So that's a model we are trying. In the case of ERP and others also, we are trying to attempt but its more difficult.

Basically, for a digital transformation solution having multi country / Multi Company, many times the implementation ability is not the limitation of the product, but it is the readiness of the customers and their data. Despite that, we are trying to go in certain industries where we have experience. We go live in 6-7 months, instead of traditional 12 -15 months. So, this has multiple benefits. There is focus in our efforts to make customer go live. The faster you go live, the customers' experiences are more intense and better, which gives more repetitive orders. The word of mouth goes around faster and we depend on this quite a bit. But in more focused areas like logistics, it can be as quick as six to eight weeks. If they want to go live in 100 warehouses, it will depend on how many parallel teams you have, to go live rapidly. If you take Aviation & Defense, it's a highly complex arena, and even there we are trying for less than a year in some of the most complex areas. Usually they take two years, three years, four years which we also used to see earlier, but now with the maturity and the packaging of the product and the depth of our products, we are able now to do most of the implementation in a year, even in the most complex segments.

From the technology side, architecture was basically something which was designed, say, 20 years ago, it was based on a service oriented architecture, based on the older standards. In the front end, there was more HTML and maybe XML and so on. So, they may have some limitations in terms of being able to bring the most modern interfaces. Over the last few years, our technology team has changed their run time from basically being SOA oriented to more 'Rest API' oriented. Conceptually, they are similar, but the standards and technology, etc., are very different. So they were able to change it quite well without disturbing the underlying logic. Because of our architecture, we can change the technology without touching the logic. So that is why we can change, while other companies may find it more difficult to change. Once that was done, we also looked at our front end and user interface layer, to make sure that can also become very modern and flexible. For example, our ERP has 6000-8000 screens. How do you rapidly re-configure all these to a modern interface? People should not be programming. We have to develop a technology such that people can drag and drop, attach API and so on, and make sure that we can bring up our new user interface in matter of days and weeks rather than program the whole thing. So, that technology framework we've been working on from last year is ready now. And once that layer is completely tested out, we will accelerate the changeover of this to the modern UI. Then we may be one of the few companies in the world to have absolute modern user interface - like the start-ups are coming up with modern user interface and attracting people, though they may not have the depth. We will have absolutely modern user interface, and also the depth of a full-blown ERP or enterprise solutions as it is better called,

because ERP is a very limiting word. That combination will be very good. On top of that, with packaging it with absolutely modern automated testing and automated implementation and so on, which we are working in the background, we hope to have more compelling stories in a year's time.

This is regarding your tax charge. Your revenue is growing very well and its very comforting to know that your technology is doing very well and you got very prestigious clients and so on. Your tax charge has been very high and very consistently. Why would that be? But predominantly it is a very high tax charge in the standalone financials & in the consolidation. It's almost 50%. It's typically around 20 to 25%

In standalone it comes to average 45%-47% - nine months average comes to 46%. We come under MAT regime. Since we have accumulated losses, we have not come under regular tax. We have book profits and we have to charge MAT in the books. We have MAT liability, which we discharge first with the help of the foreign withholding tax. Earlier credit for MAT can be taken credit and you can adjust against your regular tax in the next 10,15 years. But they have inserted a provision in Income Tax Act, which said if we use foreign withholding tax to discharge MAT liability, then we cannot take MAT credit. Either you pay by cash or use domestic TDS for discharging MAT, then we can take credit. The amount of MAT credit we take is very meagre and hence MAT accounts for 18%. And since we have profit, we have to charge deferred tax. Defer tax comes to another 28 to 29%. So that is why, if you see the India results Q1, Q2, Q3, you will see a consistent 45 to 47% towards tax provision. Whereas in earlier years, it will be only 25, 26% deferred tax, because we were taking MAT credit in full earlier. So that is the response with respect to the standalone result.

But when it comes to consolidated results, that tax provision may appear to be illogical. Assume one subsidiary makes a profit, I have to make a provision for tax in that subsidiary. Assume another subsidiary makes an equal amount of loss, I need not make any provision. In the consolidation, the losses and the profits are set off, resulting in zero profit before tax, but still you will have the provision for tax. We have 14 subsidiaries and not all subsidiaries have a positive bottom line. On consolidation, we see the profit of around USD 4.5 million to 5 million as profit before tax, but the tax provision of each subsidiary is consolidated. Even though we make tax provision in India, actual payment is discharged not by paying cash, but adjustment against foreign withholding tax / domestic TDS. It will not affect cash flow.

The company was getting EBITDA margin around in the range of 15 to 20%, till financial year 2020. But since the financial year 21, every quarter, the company is able to manage around 30% on margins. So is this trend going to continue going forward? Or we can expect a stable, EBITDA margin in the range of 25 to 30%, or the range will come down and go back to 20 to 25% range?

This year the EBITDA margin is above 30%. It's a combination of being able to achieve higher top line, coupled with incurring lower expenses. Due to COVID scenario, our spending is less in terms of travel and advertisement mainly. So, both have helped in having a better profit before tax or the operating profit. So that is the reason for having good EBITDA margin. We wish to continue the same thing, but some expenses like travel may pick up and advertisement may see increase in spending. Hence it can still be in the range of 25 plus percent. The important thing to note is that Covid has helped us. Now the new idea is we can implement remotely and lots of people don't have to travel for implementation. The travel expenses may not come to the earlier level back. And also with the higher levels of partnerships and a deeper understanding of marketing, our marketing spending also will be far more targeted now. The third thing is go lives are happening faster. So given these strengths, we can definitely have better EBITDA margin

than before, and hopefully we will maintain at 25% - 30% range. At least for next two quarters, the expenses on travel are unlikely to come back. If, we can sustain the revenue momentum then it should be good.

We are integrating our technology. So the way forward, we can expect good margins in the new deals. So in the current quarter itself, we have won a lot of deals. So is there any particular reason so far such a huge rush of deals happening in this current quarter, which were not happening earlier and will the new deals achieve us the higher margins going forward?

For us, the strong quarters are generally Q3 and Q4. In fact, this Q3 has lived up to its promise. Coming Q4 should also be a good one, barring Q4 of last year, which was washed out on account of COVID sentiment setting in by last Mar 15th. Q1 for us has been traditionally weak. But overall, there is an uptake in demand in the chosen segments. Our product has very unique strengths. For example, we are adding Europe to the list of payroll countries and also do almost every country in Asia Pacific and Middle East, most of Africa. Next year, we will be adding Europe, which gives us another edge in the market. Secondly, we are more & more specialized now. For Engine MRO, not more than two companies compete with us globally. We are becoming very specialised in some very niche markets where the number of players will not be too many. And with the new user interface, it becomes a very compelling proposition because product of so much depth, amongst the top 2-3 ERPs, where the next generation, startup kind of an interface is not heard of in the market. So the new JavaScript framework is being used for the front end. That should give us good edge in the market. We see the deal momentum growing but however seasonalities will play. There may be very large deals, which may or may not happen every quarter. A 10 million plus deal happened for the first time, may not repeat. So this quarter is unique in that sense that we have had two deals more than 5 million that we never had earlier. So all I can say is there will be lumpiness, but overall the momentum is strong.

We have been providing roughly around Rs.11 crore of bad debts per quarter. Can you please give us some idea what will be the trend in coming quarters and how long it will continue?

In the past, we have quite a few projects which were not going well and in the region of the Middle East, we have taken some orders where the customers have not shown keen interest to go ahead with the projects. So there are some hold on and we anticipate that this may end up in some sort of stalemate and we may have to write off ultimately in the end. So we don't want take the hits as and when they come. Hence, we are trying to anticipate and provide conservatively, which is around USD 1.6 million or Rs.11 crores. This may at least continue for 1 to 1.5 years or so.

How long do you think that our deferral tax, credits will continue?

Three years before we had taken deferred tax asset / income. We started earning profits now. If we see basically in India, we started moving to book profit regime. And, even in the tax computation for the year, we have taxable income, but because of accumulated losses, there is no regular tax. So we have now to provide for deferred tax liability and getting a charge in the P and L. As long as we make profit, this deferred tax liability will continue, but that will not have any cashflow impact. So the deferred tax may disappear, when we exhaust all the accumulated losses as per income tax and there are no timing differences - then our regular tax needs to be provided for.

What will be the incremental OPEX? We might have to spend for upgrading our technology. So what kind of incremental OPEX do you see?

We have already started spending and maybe a little more. It won't be significantly much higher. We have the initial trials that we have done. We have managed to deliver the new user interface with minimal manpower - not more than 25-30 people addition. This addition is miniscule, not worth mentioning. We are able to do this because of the platform, which is highly automated for such large scale systems, and because of the way we've been able to sustain in the market despite having poor reception for many years.

On the implementation side, on an overall basis, what is the journey we are seeing from booking to go live or let's say booking to AMC recognition? What are these journeys for us in the business right now?

So far, HR & Payroll we average around six months as the implementation timeline. We are trying to bring it down to 2-3 months. In some cases we are succeeding in reducing it. In the case of Logistics, we are trying to move to two to three months cycle and some cases we have started succeeding there as well. So overall journey time you can say will be in the range of four to six months. Going forward, ERP & Aviation, will have longer timelines, but they're also really using a lot of technologies to shorten the timeline. So overall, we are trying to reduce 20-25% of the timeline for ERP and Aviation and 50% of the timeline for Logistics and HR and payroll product. We have early success - to say that technology / processes are working well now. We are confident that if there is standard product recommendation, we don't see much trouble - unless the customer is not ready with the data, then it can't help much.

On the operating expenses side, we have seen the expenses both on the employee and other sides have started coming up, and both have increased. So can we say that there is some partial rollout of the discretionary cut we might have done, during COVID? All these are just the business growth and still we are way below the regular run rate?

We have restored hundred percent of the salary cuts made and whatever amount was cut earlier has been returned. So, people have not suffered any cuts in effect and everything has been returned. Apart from that, we have also rolled out increments for the year. This is visible in the bump up in Nov-Dec 20 wage bill, which is on account of the increments that have been rolled out. And in anticipation of the demand, in respect of the bookings done so far, and some more, we are expecting now, 185 people have been added now. So that is also reflecting in the wage bill, but there is more to prepare for anticipated growth and the small number of people for the user interface that we talked about. Other than the wage bill, there is no other operating head that has increased. The wage bill has increased, and there is some increase in the hosting charges, primarily because we are securing ourselves a lot more than we did earlier. So we are maintaining here the cover for geography risk. So we are storing a copy of all our internal data center outside India as well. Earlier we were maintaining two separate locations in India. Now we are maintaining one copy in Singapore for the entire region - that is added to the cost.

What is the current head count now and what it was a year ago. Secondly let's assume everyone has to get the vaccine shot tomorrow. What are the immediate costs you'll see, coming back, which you would like to put into the system?

Until today, we don't see any travel plans coming up because most countries have circulated advisories, not admitting other citizens to their country. And even if those are admitted, not without 14 days quarantine. So after June 21 time frame, we feel that the vaccines certificates, the vaccine passport, as they may be called, may become more global in nature, and from July to September quarter, we may spend for some travels. But travel we don't expect till June to take off. And the rest of the operating expenses should be in line with what we have currently.

It is a moot point whether it is Jun 21 or Aug 21 – but till June there is no visibility of travel returning.

You said deal booking is going to be volatile, which we obviously understand, but on a 12 months basis, what should be the new benchmark? We used to be having USD 100-110 mln., kind of annual run rate. So what should be the new benchmark that we should have?

We would still not want to hazard a guess. The sentiment is very positive. But sometimes, when just closing a deal, lockdown happens. In Indonesia, we were about to sign something and a complete lockdown happened. Malaysia went into a complete lockdown. So, there are clients who may panic again. In fact, one of our clients in the Philippines, the Chairman of one of the largest groups in the Philippines says, we are bracing ourselves for a second major, COVID lockdown. Now there are uncertainties in the market, but we assume that the market would learn to live with this COVID situation. At this moment, we will say the sentiment is positive, but not to hazard a guess in terms of any absolute terms.

Now looking at our confidence what turnaround we have done in terms of technology. So again, a number - little a medium term - are we confident enough now to cross over medium term a hundred million dollar kind of annual revenue run rate?

We do not make forward looking statements. We would say that if we can continue to book upwards of USD30 million, you see the possibility of touching that number. We will not want all of you to focus on revenue. Two of our main product lines, Logistics and HR and payroll business, are moving to the annual run rate business, which means there is a dip in revenue in the short term. Also, you have negative growth revenue for YTD Q3 for our HR and payroll business, primarily because we have 25% plus 27% recurring revenue increase, but we have a CAGR down for both licenses and for services. Even logistics, we will move in that direction because eventually we want to become a pure or close to pure SaaS business. Maybe the product line Aviation or part of ERP may not become pure SaaS. It is difficult to guess right now, but upwards of USD 30 million on booking will ensure we are closer to the triple digit.

Question about SaaS - how is the structure - is it a single tenant or Multi-tenant to all customers?

We have multi-tenant large customers. We have three models available. We have a pure multi-tenant model available in which people share the instance; we also have for our HR product line, shared database model available which is the way salesforce.com offers. But certain customers may choose private instances as well, because payroll is sensitive data - a lot of customers choose private instances. So, we do provide for pure multi-tenant. We share a database, multi-tenant with a separate database and provide for our private cloud as well. So we provide all three options to people. We support both Azure and AWS, and we started supporting Oracle cloud now.

Who are your implementation partners, major partners?

We mostly implement our own products. However, in some cases, the Big 4 implement outside India for our HR and payroll products. We have one of the big four implementing in Malaysia in the Asian region, other one implementing in Australia. In India, we have a group company which implements ERP for a lot of large clients and transformation deals. Apart from that, most of the implementations we do is on our own. Increasingly, we are beginning to use defense partners in USA to do parts of that business, especially where the requirements for security and second generation American only to access data, are there and nobody else can see that data and so

on.. So they are beginning to do a significant part of those implementations as well. As we move on to quicker implementation model, our product will be easier for a third party to implement, and we can see more and more implementation partners coming forward to implement. But right now most implementations are done by us.

Still we see that the current go to market is also primarily by your sales team. There are no partners?

It has changed significantly. We had about 28% of our pipeline through partners. Oracle is about 8% of the pipeline - in just one and a half-months. So the relationship is growing very fast despite not being officially announced. Workday is beginning to contribute. In the US, the defense partners are contributing significantly. So the selling partnership is growing quite rapidly. The implementation partnership is a little step behind.

In Logistics and HR system, how does the SAAS model in the long-term? What would be its total impact?

The total impact will be positive, because it's a much more stable business. It's like collecting toll on highway. It's very stable business. The movement of the revenue will be very little. So the lumpiness of the revenue will be gone. So, we can say that from handling a hundred million logistics transactions per month, it won't become 10 million - maybe it can become 99 million or 101 million. The stability of revenue will be enormous on annual run rate basis. That is the latest business model. It gives clients lot of flexibilities because they pay for what they use. When the business goes down, they spend less and if the business goes up, they are willing to pay more. And for us, the more successful the client is, more the revenue for us. It is in our interest that the client uses the system more and more, and that's where the industry trend is. It is much more beneficial to review in the long run.

Note: This is not an exact transcript of the call. 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.

FACT SHEET AS ON 31ST DECEMBER 2020

CONSOLIDATED INFORMATION

Figures in USD Million, except where stated otherwise

	Quarter Ended								Nine months Ended		Year Ended			
	Dec-20	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Mar-19	Dec. 31, 2020	Dec. 31, 2019	Mar.31, 2020	Mar.31, 2019	Mar.31, 2018	Mar.31, 2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited \$	Audited \$	Audited \$	Audited \$
REVENUE - STREAMWISE														
Products	12.16	10.78	8.91	6.98	10.36	10.90	9.07	11.78	31.82	30.33	37.25	45.98	37.91	30.75
License	6.63	5.25	3.86	1.82	5.14	5.92	4.31	7.08	15.72	15.38	17.14	27.92	21.59	16.89
Recurring	5.53	5.52	5.05	5.16	5.21	4.98	4.75	4.70	16.10	14.95	20.11	18.05	16.32	13.86
Services	10.96	10.57	10.52	11.56	10.31	10.51	10.93	8.36	32.04	31.75	43.33	31.65	35.13	35.54
BPO	1.42	1.37	1.36	1.40	1.11	0.97	0.80	0.77	4.14	2.89	4.29	2.93	2.84	2.47
Other Services ^	9.55	9.20	9.16	10.17	9.20	9.55	10.12	7.59	27.90	28.86	39.04	28.72	32.29	33.07
Resale of Material	0.22	0.21	0.02	0.06	0.15	0.08	0.16	0.04	0.44	0.39	0.44	0.73	0.11	0.95
TOTAL	23.34	21.56	19.44	18.60	20.81	21.50	20.15	20.18	64.31	62.46	81.03	78.35	73.15	67.24
REVENUE - BUSINESS UNITWISE														
ERP	9.03	8.48	7.16	6.97	6.44	10.54	8.11	7.37	24.65	25.05	32.00	28.12	31.32	31.88
HRP	6.49	7.64	6.24	7.13	8.28	7.02	7.82	7.56	20.36	23.14	30.26	30.70	23.68	17.19
AAD (Formerly AVN)	7.83	5.44	6.05	4.50	6.09	3.94	4.22	5.25	19.30	14.28	18.77	19.53	18.14	18.18
TOTAL	23.34	21.56	19.44	18.60	20.81	21.50	20.15	20.18	64.31	62.46	81.03	78.35	73.15	67.24
REVENUE - GEOGRAPHYWISE														
Americas	5.50	4.41	5.59	3.41	3.85	3.60	3.58	4.89	15.51	11.03	14.43	17.26	14.42	12.90
Europe	1.92	0.53	0.48	0.56	0.60	0.52	0.84	0.59	2.92	1.95	2.51	2.05	2.12	2.25
APAC	7.84	9.72	6.94	7.93	9.34	10.46	7.41	7.97	24.48	27.22	35.13	32.27	24.65	20.14
India	6.29	4.42	4.26	4.41	4.24	5.13	6.54	3.86	14.95	15.89	20.28	16.07	18.60	18.15
MEA @	1.79	2.47	2.18	2.30	2.79	1.79	1.78	2.87	6.45	6.37	8.67	10.71	13.37	13.81
TOTAL	23.34	21.56	19.44	18.60	20.81	21.50	20.15	20.18	64.31	62.46	81.03	78.35	73.15	67.24
BOOKING - BUSINESS UNITWISE														
ERP	4.79	12.99	7.05	4.05	2.62	14.88	5.14	11.06	24.83	22.65	26.70	38.75	43.58	29.89
HRP	15.66	8.18	6.73	4.81	15.56	9.36	14.51	12.49	30.57	39.43	44.25	47.52	46.66	34.90
AAD (Formerly AVN)	17.95	5.37	7.58	4.28	11.62	1.77	1.88	9.02	30.91	15.27	19.54	30.65	13.84	21.23
TOTAL	38.40	26.53	21.37	13.14	29.80	26.01	21.53	32.57	86.30	77.35	90.49	116.91	104.08	86.02
UNEXECUTED ORDER BOOK #	177.77	164.90	163.99	166.55	176.29	168.24	168.00	166.00	177.77	176.29	166.55	166.00	153.00	115.94
CUSTOMER METRICS														
Revenue from New Customers (%)	31%	20%	18%	14%	21%	24%	17%	36%	24%	21%	19%	33%	24%	24%
Revenue from Cloud orders (%)	44%	36%	37%	40%	45%	31%	36%	37%	39%	37%	38%	39%	34%	NA
Number of new customers added	9	15	12	6	13	17	14	16	36	44	50	80	85	120

\$ 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.

^ Other Services also include infrastructure and hosting services.

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

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