

# Cutting-edge tech drives Ramco's global business

**CHENNAI:** The city-based Ramco Systems has made inroads into China market, bagging three clients in aviation. Using new-age technology to provide solutions, the enterprise software major is winning mega contracts by locking horns with global entities 300 to 400 times its size.

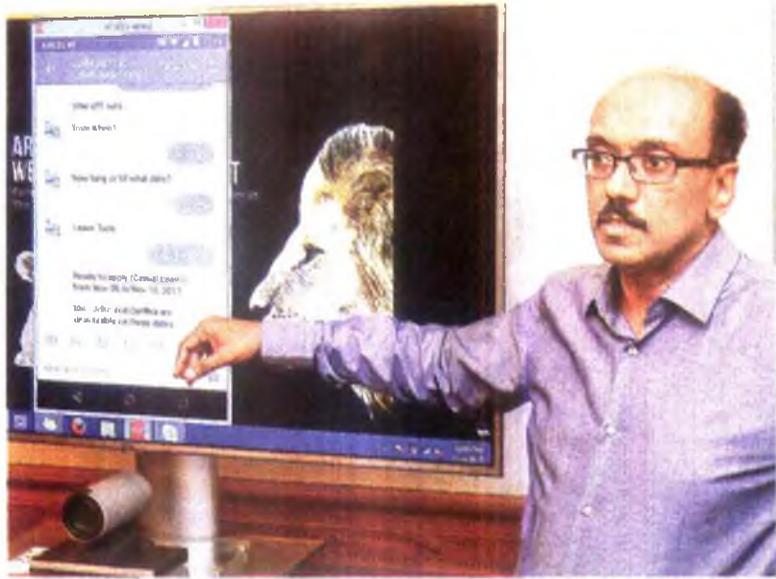
Whether it is payroll or logistics business, Ramco exudes confidence as it positions itself as a company having the most-robust integrated logistics solution in the world besides the advantage of providing multi-country solutions. Its human capital management (HCM) product accounts for 29 per cent of its revenues, even as it sits on an order book of 44 per cent. The ERP or enterprise resource planning solutions constitute 48 per cent of its revenues. However, logistics solutions are the ones leading to a surge in revenues.

At a time when e-commerce is exploding, and digital transformation is impacting the growth landscape globally, Ramco Systems has been on the overdrive tapping newer markets. For, nearly 76 per cent of its revenues are from overseas markets. While the company bets on the UK, Ireland and Scandinavian countries as the newer locations to make its mark in the payroll arena, Australia is an established market (where it has 25 customers).

"We still feel like a start-up. The green shoots in Europe are encouraging, giving us opportunities to introduce payroll solutions there. We entered Philippines a year ago while Indonesia, China, Vietnam and Myanmar are promising regions," said Ramco Systems CEO Virender Aggarwal, who is convinced that the strategy of early-stage market capture will ward off competition and yield the outcome that it has set out to achieve.

It is the use of technology as a differentiator that Ramco Systems takes pride in as recent experiences show that the company has competed with biggies (including \$12 billion sized vendor) and yet won contracts based on "product superiority," he sought to point out.

From chatbots in HR to blockchain in



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logistics, and even Microsoft HoloLens (mixed reality smart glasses) supporting solutions, Ramco Systems is relying on “cool” technology to propel its move to be a global brand.

“We are the only Asia-based vendor to feature in both Gartner’s magic quadrant for cloud HCM and Forrester Wave for SaaS HRMS. We may be at the bottom of the quadrant, but we are marching ahead,” said Aggarwal.

Whether it’s big data, augmented reality, drones, wearables or gesture computing, Ramco Systems has been beefing up its tech muscle and fool-proofing solutions

by in-house roll-outs. For instance, close to three months now, its 300-plus employees are using the BOT HCM solutions ‘Genie’ and fine-tuning it before it formally launches the product. As of now, it has a customer each in India, Australia and Middle East, that are ready to use it.

“We are using it as an adoption tool, that will bring in more employee engagement,” he said, noting that new-age technology works better when “forced” rather than giving choices.

Its Q2 results as on September 30, 2017, shows a consolidated revenue of Rs 117.21 crore compared to Rs 112.81 crore in the previous quarter. The net profit after tax for the quarter stood at Rs 6.53 crore against a loss of Rs 3.05 crore reported in the previous quarter. While forex fluctuations are the primary cause for the rise or drop in revenues, cost-cutting measures by leveraging technology to reduce wage bill, travel expense and outsourcing, among others, too have contributed to the company turning black from red. Presently, it has five projects in implementation stages in Australia.