



ALL E TECHNOLOGIES LIMITED

ANNUAL REPORT
FY 2023 - 24

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Corporate Overview

- 01 Getting Businesses Ready for AI Transformation
- 02 Cosmetics Business Leapfrogs from Automation to AI
- 04 Wellness Technology Company Modernizes to Get Future Ready
- 06 Electronics Components Distributor Transforming with Data Engineering
- 08 Global Private Equity Firm Leverages Azure Analytics for Business Insights
- 10 Chairman's Message to Shareholders
- 12 Solutions and Services
- 16 Serving a Wide Range of Industries
- 20 Growth Drivers
- 22 Financial Performance
- 24 Board of Directors

Statutory Reports

- 29 Management Discussion and Analysis
- 36 Director's Report

Financial Statements

- 50 Consolidated Financial Statements
- 79 Standalone Financial Statements



GETTING BUSINESSES READY FOR AI TRANSFORMATION

As the global business landscape prepares to undergo a profound shift driven by AI - towards a future where AI doesn't just enhance business processes but fundamentally reshapes industries, redefines possibilities, and unleashes human potential - Alletec stands at the forefront of helping businesses prepare for this new era of transformation.

Digital innovation is no longer just an advantage, but a necessity. And, AI is no longer just a buzzword, but an engine that powers innovation, efficiency, and competitiveness. Organizations across the globe are grappling with rapid technological advancements, and the need for intelligent systems that drive efficiency, enhance decision-making, and unlock new revenue streams has never been more critical.

Alletec - with its track record of enabling digital transformation across diverse industries, is committed to equipping businesses with the solutions and technologies they need to succeed in this new AI-driven landscape. Businesses would continue to require systems of record (ERP) and systems of customer engagement (CRM), but the pace of automation and decision making will dramatically increase with adoption of AI. This annual report captures the spirit of innovation and resilience that defines our work, showcasing how we are helping businesses transcend traditional boundaries and prepare for future.

Case Study

Cosmetics Business Leapfrogs From Automation To AI



The New York based prominent wholesale distributor of a wide range of cosmetics including skincare, haircare, nail care, and HBA merchandise, faced stunted growth despite a booming market. The business struggled with stiff competition and evolving customer expectations, unable to fully leverage emerging market opportunities.

Modernizing the business required a comprehensive assessment of the entire operation. Key processes were manual, and many others suffered from inefficiencies and obsolescence. The systems and technology backbone lacked the necessary integration and collaboration capability. Data was scattered across manual notepads, Excel sheets, and a basic accounting system, typically abandoned after the initial transaction.

Laborious manual recording of stock received led to inaccuracies and inconsistencies in stock data, hampering accurate inventory records. The pick-pack-ship operations relied on spreadsheets, causing delays in order processing and shipping. Managing sales orders from various channels, in inconsistent formats, was time-consuming and error prone. Absence of real-time reporting capabilities impeded management's ability to track sales performance and profitability. Handling multiple SKUs, brands, and categories required manual intervention, increasing the risk of errors. A business burdened with so many limitations was naturally unable to align with market opportunities and customer expectations. The business needed fundamental transformational changes to modernize and become agile.

Execution of the digital transformation blueprint conceptualized by Alletec for the business required Alletec to bring to fore the full spectrum of its experience and expertise. The business needed - **Digital Core Modernization, Enterprise Applications, Process Optimization, System Integration, Data Engineering & AI, and Change Management.**

The organization is fast transforming to a cloud-first business, discovering new ways to engage with customers and partners, and developing new business models.

Microsoft **Dynamics 365 Business Central** and **Dynamics 365 Sales** form the backbone of company's enterprise applications. Business Central is enabling unified business operations and data, real-time visibility into stock levels and accurate inventory tracking. Dynamics 365 Sales provides enhanced sales order management with automated workflows and real-time updates.

Robotic Process Automation (RPA | IPA) with Microsoft Power Automate and the AI Builder from Azure are automating a number of repetitive tasks with BOTs:

- PO creation: A Bot creates POs in ERP based on vendor quotes
- Warehouse Receiving Advice creation: Matching invoices with POs
- Sales Invoice creation: including tracking of payments and terms
- Data enrichment - Web scrapping: Finding missing information from the internet
- Moving Data between systems: Transferring files / attachments from one system to another.

The growing business data is now getting unified and managed for delivering business insights.

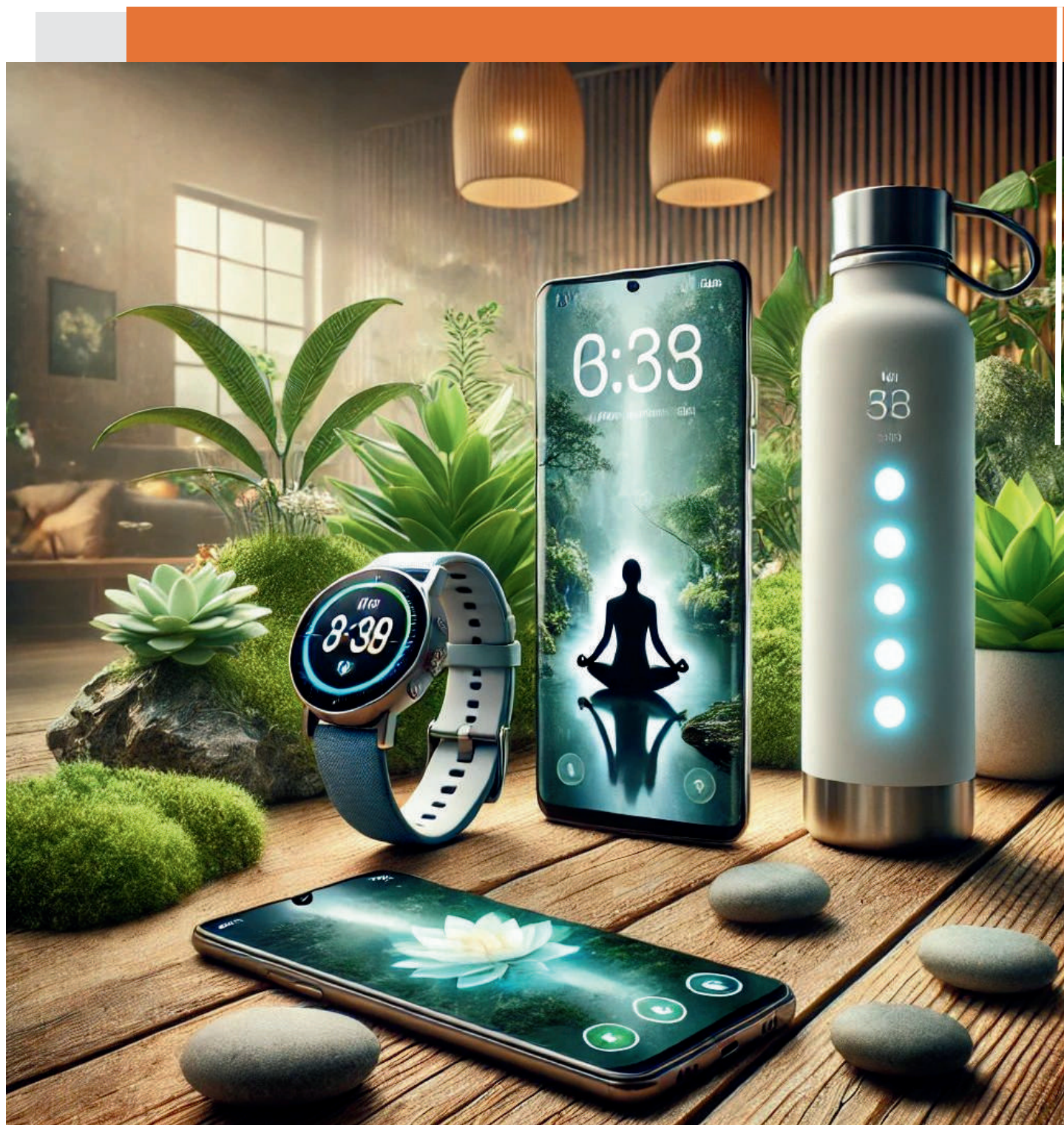
A **Digital Catalogue** built on Dataverse is transforming customer and sales team experience, enhancing collaboration and shortening the sales cycle.

The business has experienced compelling benefits from the digital & AI transformation initiatives undertaken so far. This includes: **Accelerated Order Fulfilment** resulting in **enhanced customer delight** and **reduced operational costs**; **Enhanced Inventory Management** Efficiency that now provides real-time data on stock enabling quick turnaround on customer inquiries, thus **boosting sales** and **customer retention**; **Shorter Cash Cycles**; and **improved communication and transparency.**

Digital and AI transformation is a journey. After getting started, businesses discover new ways of leveraging technology to bring business benefits. A number of new initiatives have been identified and will go in to execution in the coming months.

Case Study

Wellness Technology Company Modernizes To Get Future Ready



A leading US based wellness technology company, focusing on proactive self-care and healthy lifestyle through its product lines for clean water, pure air, aroma therapy, and overall wellness products, faced numerous operational challenges. The company operates a vast network of over 40 online stores to reach diverse customer segments. Absence of a comprehensive technology and enterprise applications modernization framework had caused in the existing systems functioning in silos, and company having to manually consolidate data from these stores. The result was - fragmented data, inventory discrepancies, order processing delays, inconsistent branding & customer experience, stockouts & overstocking situations, and inaccuracies in financial reporting. Lack of a unified scalable Data Analytics solution also prevented the business from having visibility into operational metrics.

The business wanted to retain its market leadership position, and this needed them to commit themselves to a sustained journey of Digital and AI Transformation. Alletec carved out a roadmap for executing the transformation. Amongst the first initiatives undertaken was bringing focus to operational efficiencies by adopting Microsoft Dynamics 365 Business Central. The automation of manual tasks and optimization of processes enabled the company reduce operational costs associated with inventory management, order processing, and financial transactions. Month-end closing process time reduced from over 25 days to under 5 days.

The significant impact brought to the business by the first step of digital transformation journey has energised the organization to continue with the momentum. The new ERP is generating volumes of hygienic business data which the company wants to leverage for business benefits. Amongst the initiatives

underway - adoption of Microsoft Fabric for Data Analytics to unify data from various sources, enhancing decision-making, uncovering new revenue streams, and improving operational efficiencies.

The business is now looking to have:

Unified Data Platform: MS Fabric consolidates various data processes into a single, integrated system, reducing complexity and improving efficiency.

Enhanced Business Intelligence: With advanced AI and machine learning tools, the business can perform real-time and predictive analytics, leading to better decision-making and strategic planning.

Improved Productivity: The streamlined data engineering process and faster data processing will shorten development cycles and enhance overall productivity.

Scalability and Flexibility: MS Fabric brings a scalable solution that grows with business needs, ensuring flexibility in handling increasing data volumes and complexity.

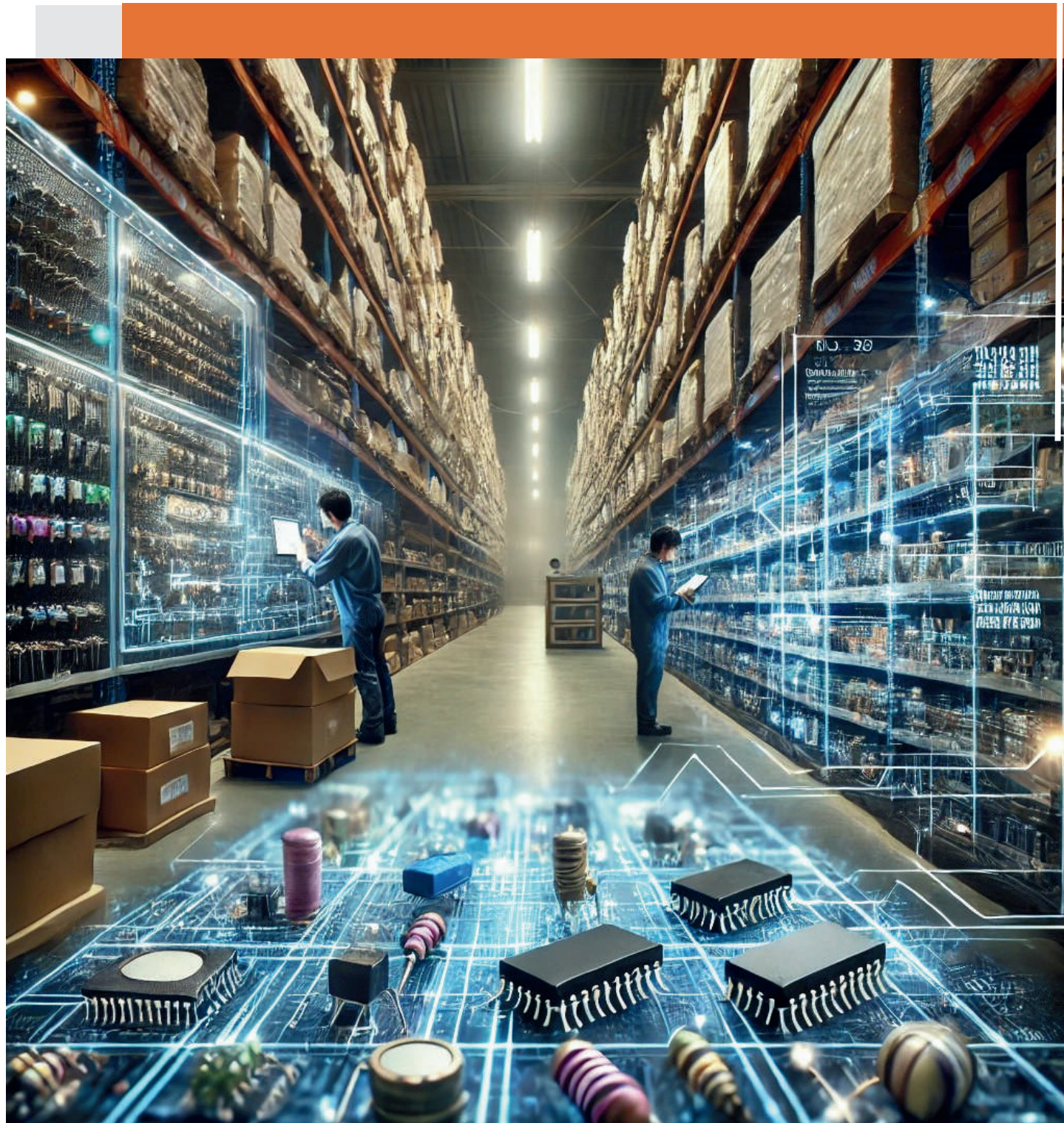
Robust Security and Governance: The platform ensures strong data security and governance, helping the company maintain compliance and protect sensitive information.

Self-Service BI: Easier self-service business intelligence and collaboration between teams through unified user interfaces will empower employees to derive insights independently especially with use of NLP (Natural Language Processing) and other AI features.

These benefits will help the company leverage their data effectively, drive innovation and operational excellence.

Case Study

Electronics Components Distributor Transforming With Data Engineering



The Florida based premier independent distributor of board-level electronics that are hard-to-find, backordered, and at times obsolete, are known for their uncompromised commitment to product quality. This requires rigorous testing of the several million SKUs they supply to their customers.

Heaps of data lying in silos within the organization and externally with third party test centers was slowing the business growth and hampering the efforts to strengthen customer engagements. Ineffective eCommerce site was frustrating product selection and ordering by customers. Getting intelligence in decision making from data was proving to be a big challenge. Real time Order status tracking was a problem.

Microsoft team in US brought Alletec to engage with this customer and help carve their Digital Transformation journey. All elements of the business were discussed and best practices shared by Alletec. A Data view of the organization was conceptualized to help the company embark on the path to AI Transformation.

Repetitive, manual, and time-consuming tasks like PO creation, invoice processing, and bank reconciliation, are targeted for full automation with the help of digital operators as part of the core operating model.

D365 ERP and CRM in conjunction with a Vendor Portal are set to yield several benefits for the business.

Unified Platform: Using D365 Sales along with Vendor/Customer portal & D365 Business Central provides a single, centralized platform to manage all operational activities.

Streamlined Sales Processes: D365 Sales has a history of complete sales transactions eliminating silos and ensure that all sales data is accessible in one place.

Self-Service Capabilities:

Vendors/Customers can access and manage their own information, bid, RFQ and submit proof of delivery through the portal. This self-service approach improves vendor/customer satisfaction and reduces the workload on your internal teams.

With a large amount of data now available for business users to make informed decisions, the company is now preparing to embark on the Data & AI journey. Alletec will setup the necessary architecture to bring data from multiple sources onto a unified platform of Microsoft Fabric. This will make it accessible to users for tracking sales, analyse profitability, improve supply chain efficiency, and forecast financial outcomes.

Case Study

Global Private Equity Firm Leverages Azure Analytics For Business Insights



This leading global investor in sustainable infrastructure, energy, real estate, and other sectors, with US\$ 13.5 bn assets under its management, has a mission to accelerate the transition to a net-zero future, and build competitive returns for the investor community.

A progressive 'Cloud first' organization, the organization stays keen on adopting latest technologies available in the market for operational efficiencies and competitive advantages. A long-term user of Dynamics ERP and CRM applications, given the diversity of sectors and geographic spread of its investments in over 500 companies across 60+ countries, the business required a Data driven view of the organization. Alletec - the Microsoft Dynamics partner of the organization for over 10 years - leveraged its deep understanding of the business and data to develop a Data Strategy for the business that was in-line with the KPIs for both - the Investors and Investee companies. Data from over 300 investee companies residing in diverse software applications (both Microsoft and non-Microsoft) had to be brought in the fold of their Data Architecture.

Alletec chose Azure Data Analytics tools and built the Data Warehouse using Azure Synapse. Data from multiple sources was first stored in Azure Data Lake, and Azure Data Factory was used to build complex business logic. Hundreds of GBs data had to be processed daily for the Data Warehouse to have current and processed data. The architecture had to be robust without any impact on the running business applications. An intelligent reporting layer was developed using Power BI. Over 100 Finance KPIs were displayed in a set of Key Management Dashboards and Reports.

What the business earlier took 10 days every month to prepare is now available to them in under 6 hours. The next step in their Data journey is to include Operational KPIs into the fold of Data Warehouse and expand the BI layer. A move to Microsoft Fabric is under planning.

Chairman's Message to Shareholders



At the end of what has been a defining year for Alltec, I'm honoured to present our annual performance report for FY'24. The year has been defining in more than one ways. The revenue went well past the INR 100 Cr. mark and we saw some transformation in our business pattern as a result of strengthening cloud business. Revenues grew QoQ for each of the quarters, and so did the margins. While one cannot claim these trends to be perpetual in nature, they are nevertheless an indication of the growing robustness of the business.

Last year witnessed the imagination of individuals and corporates being put on fire with easy accessibility to unimaginably powerful Large Language Models like GPT4 and BERT. Ironically, this has resulted in both, excitement and fear. Excitement about the potential of what technology solutions can provide, and fear of what 'missing-out' could potentially result in. The dramatic impact of these developments has resulted in acceleration of the digital transformation momentum for businesses. We have consequently been experiencing a distinct shift in our customer conversations.

The Data & AI initiatives are frequently becoming part of our very first conversation, as against the post-go-live (of ERP | CRM) conversations a couple of years ago. In Alltec, customers see a partner who can hand-hold them through the entire digital transformation journey, and get them ready for AI Transformation.

Having a world-class ERP system deployed alongside the customer engagement systems for sales, customer service, field service and marketing; having business intelligence dashboards for data visualization; customer & vendor facing portals; point applications for quick data capture, and all this with the scalability and security provided by cloud infrastructure are quickly becoming table stakes. Businesses need little convincing, if any, for the adoption of these solutions. The conversations quickly shift to - what next? This is where Data & AI comes in. The theme of this year's report, '**Getting Businesses Ready for AI Transformation**' captures the essence of our vision and the strategic direction we are committed to pursuing in the coming times.

Businesses looking to leverage AI for transformation must have in place the foundation of transactional and customer engagement systems. For years Alltec has been at the forefront of providing these digital transformation solutions with Microsoft Business Applications, including Dynamics 365, Power Platform, and Azure. Our expertise spans diverse industries, across geographies, and customer segments.

Business performance

Alltec grew its revenue by ~32% YoY, and the EBITDA growth YoY was ~70%. While both the India and International businesses stayed robust, the increase in EBITDA is a reflection of the increasing international customer engagements. The year saw us add ~50 new customers, ~20 of which are international customers. Most importantly, the year saw us beginning to win customers in Americas in the face of competition not just from other local Microsoft partners, but also from competing non-Microsoft solution providers. Alltec sustained sales and pre-sales engagements some of which prolonged for several months. This is the beginning of our journey of being seen as a local company.

Durable competitive advantage

Warren Buffet once said - The key to investing is not assessing how much an industry is going to affect society, or how much it will grow, but rather determining the competitive advantage of any given company and, above all, the durability of that advantage.

Modern | Reliable | Affordable - are the pillars that will secure durable competitive advantage for Alltec. By steadfastly growing the organization on these three pillars we will find ourselves heads and shoulders above the competition. Our customers increasingly expect this from us.

What's next

Alltec will continue to progress on its mission of 'enabling enterprises do more with digital transformation'. While the interest and demand for leveraging Data & AI for business advantage will most certainly continue to strengthen, a vast majority of businesses still need to put in place the foundation of transactional and customer experience systems.

The gradual increase in our Data & AI engagements underscores our commitment to getting our customers ready for a future where data-driven insights fuel strategic decisions, automation drives operational excellence, and personalized experiences redefine customer engagements. Alltec is committed to being the catalyst for this transformation.

While maintaining our leadership position in India, Alltec will continue to push international business growth. Our experience of over 2 decades of having worked with over a thousand customers from 30+ countries, our investments into new products and technologies, our business model, and our value system will keep strengthening our position of being **Modern | Reliable | Affordable**.

The dedication and team effort of all members of Alltec, the trust of our customers, the collaboration of our partners, and the unwavering support of our shareholders has been, and will always be at the foundation of what Alltec accomplishes. As we continue our journey to scaleup, we seek your continued guidance, encouragement and support.

-Warm Regards
Dr. Ajay Mian

Consulting Led - Technology Enabled



Digital Core Modernization

Transform operations, customer experiences, and business models by modernizing the digital core with cloud computing, automation, applications modernization, collaboration, data engineering and AI.



Enterprise Applications

ERP, CRM, HCM, and Commerce applications - Implement and customize to meet specific industry and business needs.



Process Optimization

Optimize performance by streamlining business processes to improve efficiency and reduce costs through process assessments, bottlenecks identification, and redesigning workflows.



System Integration

Integrate disparate systems and new technologies, ensuring robust IT architecture and seamless data flow across the organization.



Data & AI

Harness the power of data and analytics to gain valuable insights, make data-driven decisions, and enable business growth with data management, advanced analytics, predictive modelling, and AI-driven insights.



Change Management

Help manage organizational changes accompanying technology implementations - trainings, communication, and readiness assessments for smooth transitions and adoption.

Digital Core Modernization

Enable Scaleup businesses modernize as digital businesses through strategy and roadmap to transform operations, customer experiences and business models with cloud computing, automation, applications modernization, collaboration, data engineering and AI.

Alletec's Cloud and Infrastructure Services provide customers reliable and efficient cloud infrastructure and platform services on Azure. These consulting led engagements assess customer's business needs and encompass - strategy, migration, optimization, engineering and managed Services. Customer's usage patterns are studied, and infrastructure tuned to achieve cost optimization. The workloads moved to cloud include some mission critical applications.



Enterprise Applications



Enterprise Cloud ERP Applications

The powerful suite of the Microsoft Dynamics 365 cloud ERP applications comprise of:

- Business Central
- Finance
- Supply Chain
- Project Operations



Human Capital Management Applications

Human Capital Management Applications

- Dynamics 365 Human Resources



Commerce and Retail Applications

Commerce and Retail Applications

- Dynamics 365 Commerce
- LS Retail



Customer Engagement Applications

The Customer Engagement solutions comprise of the industry leading suite of products for:

- Sales
- Customer Service
- Field Service and
- Marketing



Business Intelligence, Apps & Workflow Automation

Microsoft Power Platform is a line of applications for business intelligence, app development, and app connectivity. It's a set of low-code tools business applications that enable building apps, workflows, AI bots, data analytics, and virtual agents. The industry leading platform comprises of:

- Power BI
- Power Apps
- Power Automate
- Power Virtual Agent
- Power Pages

Process Optimization

Analyse business processes to identify inefficiencies and bottlenecks. Refine & improve processes and redesign workflows to remove bottlenecks, enhance productivity, and reduce costs. Refined processes and workflows are automated, and often implemented through enterprise applications. Process optimization not just helps improve performance but also boosts competitiveness and customer satisfaction.



System Integration

Enterprise applications require integration with other applications in-use within the organization for full process automation and operational efficiency. Alletec integrates disparate systems and new technologies, ensuring robust IT architecture and seamless data flow across the organization.



Data & AI

Harness the power of data and analytics to gain valuable insights, make data-driven decisions, and enable business growth with data management, advanced analytics, predictive modelling, and AI-driven insights.

Alletec helps organizations design and build systems for collecting, storing, and analysing their data at scale. Organizations often generate massive amounts of data from their modern enterprise applications, along with on-premises legacy systems - if any.

Analysing and leveraging this data for business insights is vital for enhancing business competitiveness and meeting the objectives of digital transformation.

Intelligent Process Automation (RPA + AI) tools like Power Automate are enabling businesses push process automation to new frontiers.

The Azure Cognitive Services are used to modernize applications with capabilities for Language, Speech, Vision and Search. Various Generative AI models, including the Azure Open AI services enable us build and deploy customized and fine-tuned AI solutions. We can access high-quality vision, speech, language, and decision-making AI models through simple API calls.

The Microsoft Copilots, which are now available with most of the Microsoft products, along with developer tools available to extend them, are dramatically enhancing productivity and transforming the way businesses have so far thought of consuming AI. Alletec is enabling customers explore these new horizons.

Change Management

Help manage organizational changes accompanying technology implementations - trainings, communication, and readiness assessments for smooth transitions and adoption

Assist customers in Change Management by guiding them through the transition process with strategic planning and support for smooth adoption of new systems, processes, and technologies. This includes stakeholder engagement, training programs, and continuous communication to address concerns and build confidence. By focusing on minimizing disruption and maximizing acceptance, Alletec helps organizations achieve successful change implementation, leading to improved efficiency, employee buy-in, and long-term business benefits.

SERVING A WIDE RANGE OF INDUSTRIES

“We serve diverse industries and our multi-faceted experience and expertise enable global clients to do more.”

Education

EdTech365 is an Alletec IP built for institutions of higher education. This large footprint solution provides - Digital Campus, Education CRM, Student Lifecycle Management, and Student Information System, all integrated with Dynamics 365 Financial Accounting. Digital campus provides online teaching platform, document management, modern workspace, all with cybersecurity. The Education CRM provides - Admission, fund raising, alumni management, placements and Events. The Student Lifecycle management / student information management provides - LMS, Academic Planning, Time table & Attendance, Exams & Evaluation, Hostel & Mess management, Transport and Accreditation. The financial accounting component provides - Fee management, scholarships, financial aid, payables, expense management and assets management.



Travel

Travel365 by Alletec is used by many of the leading travel companies of India. Addressing the needs of both B2C and B2B travel businesses, the solution is built on the Microsoft Dynamics 365 suite. The solution has 2 primary components – a mid-office and the back-office (travel accounting). Based on business needs, customers may adopt both, or only the back-office component of the solution. For airline ticketing - travel systems need to connect to the leading GDS systems (Amadeus, Galileo, Sabre) or often integrate to the systems of low-cost airlines. Technology proliferation and elevated customer expectations have resulted in an increase in the complexities of travel businesses. Bookings for all types of transport and leisure activities, hotels, planning and execution of tour packages for individuals and groups, management of customer requests, and the corresponding financial accounting require robust systems for effective management. Large travel companies have a very high daily transaction volume. The systems need to be able to push through these volumes to ensure customer satisfaction and timely management of all financial activities.



Green Energy & EPC

Planning and executing large construction projects remains a challenging task. Given the magnitude and financial outlay, the project costs need to be estimated with a high degree of accuracy. Effective execution requires managing and scheduling resources in real time, managing machinery and other high value equipment, sub-contracting parts of the project, real-time inventory tracking, project progress monitoring, running bill adjustments and settlements, and much more. Project delays result in substantial cost escalations. The Green Energy projects invariably start with identification of site and acquisition of land, a complex and expensive process. Tracking the process in detail is absolutely critical to keep making progress.

Alletec's Microsoft Dynamics 365 based solution for Green Energy and EPC is being used by a large number of companies in construction/projects business. These include companies constructing airports, large buildings, laying roads and railway tracks. The Solution for Green Energy is currently being used by several companies that are in the business of generating renewable energy.



Digital Natives and e-Commerce

Digital native businesses have a digital-first approach and tech-driven operating models. By aggressively leveraging new and emerging technologies, platform services, and marketplaces, these businesses grow and scale fast, disrupting industries and creating new markets. Alletec leverages the Microsoft Business Applications suite, comprising Dynamics 365 and Power Platform, together with the digital infrastructure and numerous services of Azure, to provide digital natives their critical solutions. From building transactional and commerce systems on ERP, customer engagement systems on CRM, BI, automation and low-code app development with Power Platform, infrastructure, security, cognitive services and AI with Azure, the suite provides a complete set of tools, technologies and services that digital native businesses need.

Traditional businesses competing with digital native businesses are also pushed to adopt technology fast and evolve as e-Businesses. Alletec enables these e-Businesses with integration of their online businesses and the physical processes, omni-channel management, supply-chain integration, price-lists and discount management, optimizing dispatch & logistics, and more - all integrated with the core financial accounting. Alletec customers also use these solutions for management of customer service, marketing campaigns, customer segmentation & analytics.

