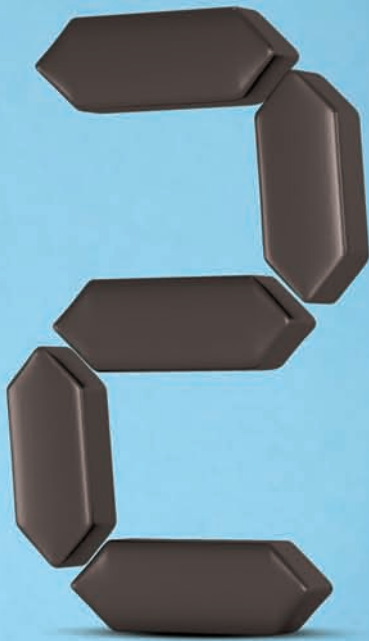


**REFLECTING  
ON THE PAST,  
BUILDING FOR  
THE FUTURE**



**25 YEARS  
BRINGING SIMPLICITY TO SCALE**

ANNUAL REPORT 2020-21





**“Gurubakthamani”**  
**Shri P R Ramasubrahmaneya Rajha**  
Sridharmarakshakar, Ramco Group



Corporate Overview .....	03
Value Drivers .....	04
Letter to Shareholders .....	08
Business Review .....	12
Sustainability .....	27
<b>Statutory Reports</b>	
Board's Report .....	31
Corporate Governance Report .....	65
Management Discussion and Analysis Report .....	84
Business Responsibility Report .....	91
<b>Financial Statements</b>	
Standalone .....	100
Consolidated .....	164
Notice to the Members .....	224



An electronic version of this report is available online at:  
<https://www.ramco.com/annual-reports>  
 Scan the QR code to download the Annual Report

#### Cautionary Statement Regarding Forward-Looking Statement

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT business including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of governmental fiscal incentives, political instability, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Ramco Systems may, from time to time, make additional written and oral forward-looking statements, including statements contained in our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

#### Investor information

Market Capitalization as on March 31, 2021, at BSE :	Rs 16,207.82 Mln
Market Capitalization as on March 31, 2021, at NSE :	Rs 16,264.64 Mln
CIN	: L72300TN1997PLC037550
BSE Code	: 532370
NSE Symbol	: RAMCOSYS
AGM Date	: August 19, 2021
AGM Venue	: Virtual Meeting
AGM Mode	: Video Conferencing / Other Audio Visual Means

# BOARD OF DIRECTOR<sup>2</sup>



**Mr. P R Venketrama Raja**  
Chairman

**Mr. P V Abinav Ramasubramaniam Raja**  
Whole Time Director

**Mr. M M Venkatachalam**, Independent Director

**Mr. A V Dharmakrishnan**, Non-Independent Director

**Mr. R S Agarwal**, Independent Director

**Mrs. Soundara Kumar**, Independent Director

**Mr. Sankar Krishnan**, Non-Independent Director

**Justice Mr. P P S Janarthana Raja (Retd.)**, Independent Director

**Statutory Auditors:** Messrs M. S. Jagannathan & N. Krishnaswami, Chartered Accountants, Tiruchirappalli

**Internal Auditors:** Messrs SRSV & Associates, Chartered Accountants, Chennai

**Secretarial Auditors:** Messrs S. Krishnamurthy & Co., Company Secretaries, Chennai

**Bankers:** Axis Bank Limited, HDFC Bank Limited, HSBC Limited, ICICI Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank Limited, Yes Bank Limited

**Registered Office:** No. 47, P. S. K. Nagar, Rajapalayam - 626 108

**Corporate Office, Research and Development Centre:** No. 64, Sardar Patel Road, Taramani, Chennai - 600 113

**Subsidiaries:** Ramco Systems Corporation, USA, Ramco Systems Ltd., Switzerland, Ramco Systems Pte. Ltd., Singapore, Ramco Systems Sdn. Bhd., Malaysia, RSL Enterprise Solutions (Pty) Ltd., South Africa, Ramco Systems Canada Inc., Canada, Ramco Systems FZ-LLC, Dubai, R S L Software Co. Ltd, Sudan, Ramco Systems Australia Pty Ltd, Australia, Ramco System Inc., Philippines, Ramco Systems (Shanghai) Co. Ltd., China, PT Ramco Systems Indonesia, Indonesia, Ramco System Vietnam Company Limited, Vietnam, Ramco Systems Macau Limited, Macao and Ramco Software Japan Limited, Japan.

**Registrar and Share Transfer Agent:** Messrs Cameo Corporate Services Limited, 'Subramanian Building', No. 1, Club House Road, Chennai - 600 002

# ANNUAL REPORT 2021

## THE MIRROR

Ramco is entering into its 25<sup>th</sup> glorious year. As we turn a momentous bend, this silver jubilee presents a golden opportunity.

We are standing at the cusp of greatness.

It is the right juncture to reflect on our legacy. To reflect on our vision, toil and recognitions. And give ourselves a pat on the back, for a job well done.

It is also a perfect time to gaze into the future. With a solid foundation, strong partnerships and amazing ideas, we are now sitting on a launch pad to propel ourselves to fame.

That's why we chose the humble mirror as the theme for this year's Annual Report. Mirrors don't just show things at face value. Sometimes, they bestow the power to look back at our past and look ahead at our future.

It's the power we wield when we are firmly planted at the cusp of greatness.

Which is exactly where we are now at Ramco.

### KPIs of 2020-21

**USD 84.92 Mln, +5%**

Annual Revenue

**USD 25.21 Mln, +58%**

EBITDA

**USD 7.56 Mln, +421%**

PAT

**22**

'Million Dollar Plus' Deals

**USD 109.82 Mln**

Order Booking

# KEEPING IT SIMPLE FOR 25 YEAR<sup>2</sup>

Since its inception, Ramco Systems Limited (also mentioned as Ramco or 'the Company' hereon) has been providing innovative enterprise solutions and enabling organizations to embrace digital transformation. In doing so, we have emerged as a global enterprise software player disrupting the market with our multi-tenant cloud and mobile-based enterprise software and solutions. We are driven by innovation and culture, enabling us to differentiate ourselves in the marketplace and provide simple and scalable outcomes.

We have built the next-generation, end-to-end enterprise solutions that render complete transformation of a business in real-time. Built on Ramco VirtualWorks®, our enterprise cloud computing platform enables the development of robust and scalable solutions that can address the entire business cycle.

We offer comprehensive ERP covering, Asset Management, Financials, Manufacturing, Project Management, Aviation MRO (Maintenance, Repair and Overhaul), M&E (Maintenance & Engineering), SCM (Supply Chain Management), Logistics, HR & Global Payroll on the most appropriate cloud Model – public, private.

## QUICK FACTS

- Part of the \$1 Billion Ramco Group
- One of the first IP led companies in APAC

**1997**

Year of inception



**1,000+**

Clients



**150,000+**

Users



**1,900+**

Employee Strength



**20**

Nationalities



**38%**

Women workforce



**49%**

Employees in the age group of 31-50



**24**

Global Offices

**50+**

Countries – client presence

**19**

Countries with legal entities

## Contribution to revenues in 2020-21

APAC	: 37%
India	: 24%
US	: 23%
Middle East	: 10%
Europe	: 6%



# BUSINESS MODEL: CREATING VALUE OVER THE YEARS

## Inputs >> Resource capitals deployed to create value

### Financial Capital

Includes the cash generated from our operations, together with funding from investors and financial institutions that support our business and operating activities. This brings value to our shareholders and ensures we support our clients' financial well-being.

### Infrastructure Capital

Includes our offices, operations, and administration platform, technology infrastructure, and execution capabilities that ensure client-centric solutions.

### Intellectual Capital

Includes developing unrivaled expertise and thought leadership in delivering innovative ERP solutions for building competitive advantages for the clients and enhancing our prospects.

### Human Capital

Includes our efforts in finding and attracting skilled and motivated people and inspiring them to grow with us and our clients, by providing them meaningful employment and career growth opportunities.

### Natural Capital

Includes our efforts towards environment conservation through responsible utilization of valuable resources with minimum wastage.

### Social Capital

Includes our efforts towards the betterment of the employees, customers, and the society within which we operate.

## Processes and offerings >> That drive value

### How Ramco's suite of Enterprise Applications drive value for the customers

- Drive enterprise-wide business transformation
- Make innovation a core competitive advantage
- Create an intelligent ecosystem of customers, partners, and employees that stay connected at all times
- Real-time visibility into operations at the click of a button
- Get to market faster with new and innovative products or services
- Deliver a stellar user experience that drives higher engagement and retention of customers
- Create new revenue streams by integrating with the marketplace through APIs
- Drive down the cost of core IT spend

### Value-enablers

- Ramco Innovation and Core Technology Team
- Culture
- Governance
- Risk Management



## Output &gt;&gt; Value-created

Delivered next-generation offerings to MNCs, Fortune 500 companies, large industrial conglomerates, and enterprises with multi-country presence, spanning sectors...

- Aviation, Aerospace & Defense
- Drones/eVTOLs (Electric Vertical Takeoff and Landing)
- Manufacturing
- Real Estate & Construction
- Energy & Utilities
- Ports & Logistics
- Mining & Cement
- Facilities Management
- Staffing & Professional Services

...with innovative and most relevant solutions to resolve business challenges facing industries

**Zero UI:** Advanced conversational UI (User Interface) enabling real-time, at-source data capture, from diverse channels based on the choice of user, which is democratically and instantly available across the organization.

**Artificial Intelligence (AI) & Machine Learning (ML) technology:** Empowering businesses with tremendous cost benefits, while driving automation, and accuracy with its predictive capabilities, anomaly detection and reasoning.

**Frictionless computing:** Enabling transactions on the go with minimal or no-touch experience.

**Event-driven notifications:** Building systems with real-time notification that sends out possible recommendations to respective stakeholders on choice of channel (mobile, email, chat, or other), thus helping businesses move towards a proactive mode of operation and saving time.

**Universal Personalization Engine (UPE):** A smart real-time personalization capability which mines on a user's historical data to predict and personalize the user experience in any application interface (on desktop, mobile, or through a chatbot).

## Outcome &gt;&gt; Impact of value creation

## Investors

We benefit from attractive industry dynamics with respect to digital transformation. By managing our capital with care, we have grown our profits, cash flows and returns, translating into total lucrative returns for our investors.

**5%**

Revenue Growth

**58%**

EBIDTA Growth

**421%**

PAT Growth

## Employees

We provide rewarding employment for our colleagues.

We invest in our talent and create an environment that empowers everyone to achieve their career goals.

**5.06 Years**

Average length of service

**16.7%**

Attrition rate

## Government, Regulatory Bodies and Social Partners

We abide by the Government and Regulatory guidelines and adhere to the statutory laws. We also add value to the society by way of employment creation.

**Rs 660 Mln**

Global contribution to Government exchequer by ways of direct and indirect taxes (gross)

**Nil**

Regulatory Penalties

# 25 YEARS: MILESTONE?

