



R S SOFTWARE (INDIA) LTD.

CIN: L72200WB1987PLC043375

www.rssoftware.com

An ISO 9001:2008, ISO/IEC 27001:2013 and SEI CMM Level 3 and PCMM level 4 Company

Date: April 26, 2018

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 023 Security Code: 517447	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai -400 051 Scrip Code: RSSOFTWARE
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Dear Sir/ Madam,

Sub: Up-date on Investor Call as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 held on 20th April 2018.

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and with reference to above mentioned subject we are now enclosing the transcript of Investor Call held on Friday, the 20th April 2018.

This is for your information and records please.

Thanking You.

Yours faithfully,

For **R S Software (India) Limited**


Vijendra Surana
CFO & Company Secretary

Encl.: As above

Global Leader in Providing Technology Solutions to the Electronic Payments Industry

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➤ R.S. Software (Asia) Pte. Limited, Singapore, Asia
➤ Paypermint Pvt. Limited

Transcript

RS Software (India) Limited - Earnings Conference Call

Event Date / Time : 20th April 2018, 3:30 PM IST

Event Duration : 24 minutes 17 secs

Presentation Session

Moderator: Good afternoon ladies and gentlemen, I am Honeyla the moderator for the conference call. Welcome to the Q4 FY18 Investors' call of RS Software (India) Limited. We have with us today Mr. Raj Jain, Chairman and Managing Director of RS Software (India) Limited. At this moment all participants are in listen-only mode. Later we will conduct a question and answer session. At that time, if you have a question, please press * and 1 on your telephone keypad. Please note this conference is recorded. I would now like to hand over the conference to Mr. Raj Jain. Thank you and over to you sir.

Raj Jain: Thank you. Good afternoon everybody. Thank you very much for your interest in R.S. Software and we announced our fourth quarter and the annual results which I assume are there with you now. We've had a good year and we are marching well onto our strategy and as we had mentioned to all of you who had been with us in the call before, that our strategy is to diversify our revenue sources and move towards products and platforms. In these 24 months since we announced the strategy we made good progress towards the platform strategy and good progress towards the product strategy and the services growth is continuing as you can see that our business revenue from our services business has actually grown by 11% in dollar terms for the fiscal 17-18. In terms of our platforms, we have successfully delivered platforms in three different ways, one is where we build and deliver the platform to our client, number two is where we white label our own platform to (audio break) and number three is where we host the platform ourselves.

So in the first category where we delivered the platform for the client, the first one is the UPI platform which all of you may know is currently estimated into doing 200 million transactions a month. There's been no payment platform ever in the history of payment where platforms within 17 months achieved a level of 200 million transactions a month. Number two is the VVPS platform in India which has also been delivered to MPCl. There are 57 plus institutional banks and others who are authorized by RBI with their license who's got integrated to the VVPS Platform that's another tremendous achievement. Number three is our platform white labeled to one of the top banks in India. There are 28,000 merchants now on that platform. And the fourth platform is our digital merchant enquiring platform which is now at a greater stage and is ready for launch anytime in the next few months. We are preparing our digital marketing strategy to be able to launch the platform. And on digital assets which are the products, we have built five products for the payment segment, the foremost amongst which is our Merchant Edge platform that caters to the entire merchant management system for the processes and for the banks. The second is a platform called the Pay-abhi which is focused on the bill payments and the third one is called the Inteli Edge and that focuses on the analytics for the payment transactions and the next one is focused on the risk management and finally we've got a platform which is there for being able to connect our

Merchant Edge to a processing capability that's called the (not clear). Our sources revenue, we have added several new clients during the year and we are confident of moving forward in 18-19 and achieve our growth in each of these areas. We are ready for questions now.

Question and Answer Session

Moderator: Thank you sir. Ladies and gentlemen we will now begin the question and answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask the questions. If you would like to withdraw your request, you may do so by pressing * and 1 again.

We have the first question from Mr. Rajesh Agarwal from Money Ore Investments. Please go ahead.

Rajesh Agarwal: So when will we turn into profitability?

Raj Jain: We are continuing to make our investments. All our platforms and products and their investments we are going to continue. Occasionally, we have got our cost structure pretty much aligned to our current level of operations and we believe that it will take us another 24 months to be able to see a full return on our investments from the products and the platforms.

Rajesh Agarwal: Sir it will come by increase in revenues or how?

Raj Jain: It will come by increase in revenue of course and increased revenue will come from platform, from the sale of products and also from the services.

Rajesh Agarwal: The cash we are burning, will it stop next year? We are making a loss of 5 to 6 crores a quarter, so will that stop next year or it won't stop next year?

Raj Jain: We actually believe that we will start seeing improvements within this year itself and our investments are going to continue because that's an ongoing part of the business. So we think fiscal 2020 which is two years from now, you will see a profitability as an overall financial structure.

Rajesh Agarwal: The revenue is very much scalable? Can we go to 400-500 crores turnover or no?

Raj Jain: Absolutely the revenue is scalable. If you look at the platform business as an example, one starts low which is where we are right now and those are platforms where three years down the line, we start looking at processing a gross merchandise value of 7,000 crores and it is from there we generate the data and we make value additions, we charge the clients for that and that's how we start making money and plus of course the transaction fees. On the services, that's a model driven directly by the talent size and that will continue as we are hiring, already in anticipation of our revenue forecast for 18-19 and continue in 19-20 and beyond that. So absolutely it is a scalable revenue. But I think what I would like to emphasize is, the platform product business is very different from the services business. In the services business, if you want to scale your revenue from 70 crores to 300 crores, you have to hire that many people; in platform and product you invest upfront...which is what we are doing right now and then the returns come on

