

# **ROX HI-TECH LIMITED**

(Formerly known as ROX Trading and Systems Pvt.Ltd & ROX Hi-Tech Pvt.Ltd)

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ROX | NSE | Earnings Call | 202526

June 3, 2025

To  
The Manager – Listing  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, 'G' Block,  
Bandra Kurla Complex,  
Bandra (East) Mumbai 400 051

Symbol: **ROXHITECH**

ISIN: **INE0PDJ01013**

**Sub: Submission of Transcripts of Earnings conference call held on Thursday, May 29, 2025 at 4:30 pm.**

**Dear Sir / Madam,**

Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is hereby submitting transcripts of Earnings Conference call held on Thursday, May 29, 2025 at 4:30 Pm to discuss the half year and year ended on March 31, 2025 earnings with Investors and Analysts.

Submitted for your kind information and necessary records.

Kindly take the same on your records.

Yours Faithfully  
For **ROX Hi-Tech Limited**

**Thenmozhi**  
**Company Secretary & Compliance officer**



# “ROX Hi-Tech Limited Q4 FY‘25 Earnings Conference Call”

**May 29, 2025**



**MANAGEMENT:** **MR. JIM RAKESH – MANAGING DIRECTOR, ROX HI-TECH LIMITED**  
**MS. SUKANYA RAKESH – WHOLE-TIME DIRECTOR, ROX HI-TECH LIMITED**  
**MS. AGNA DAICY – LEADER INTELLIGENT ENTERPRISES, ROX HI-TECH LIMITED**  
**MS. TENMOZHI RAMALINGAM – COMPANY SECRETARY, ROX HI-TECH LIMITED**

**MODERATOR:** **MR. HARSHIL GHANSHYANI – KIRIN ADVISORS PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the ROX Hi-Tech Limited H2 FY '25 and FY '25 Results Conference Call, hosted by Kirin Advisors Private limited.

As a reminder, all participants' lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*”, then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harshil Ghanshyani from Kirin Advisors. Thank you and over to you, sir.

**Harshil Ghanshyani:** Yes. Thank you, sir. On behalf of Kirin Advisors, I welcome you all to the Conference Call at ROX Hi-Tech Limited of H2 FY '25 Conference Call, happening on 29th May at 4:30 PM.

From the Management Team we have Mr. Jim Rakesh – Managing Director; Ms. Sukanya Rakesh – Whole-Time Director; Ms. Agna Daicy – Leader Intelligent Enterprises; and Ms. Thenmozhi – Company Secretary.

Now, I hand over the call to Ms. Agna Daicy. Over to you, ma'am.

**Agna Daicy:** Thank you, Harshil. Ladies and gentlemen, good afternoon, and a heartfelt welcome and thank you for joining the conference call of ROX Hi-Tech Limited. We are delighted to have each one of you here as we explore and discuss the financial performance of H2 FY '25.

Before we dive into the detail of this half year, let me offer a brief overview of our company and its robust business model:

ROX Hi-Tech Limited, headquartered in Chennai, exemplifies a customer-first approach and a steadfast commitment to excellence in IT solution. With a legacy spanning over two decades, the company has evolved from an IBM business partner into a leading force in IT industry.

Specializing in system integration, ROX Hi-tech delivers a comprehensive suite of innovative IT solution, showcasing agility in responding to dynamic industry trends and consistently providing future-ready services to a diverse and growing clientele. On the operational side, we have made meaningful progress by deepening relationship with our existing clients and successfully onboarding new ones, reflecting our commitment to consistent and sustainable growth.

In H2 FY '25, the company strategically strengthened its global presence through incorporation of new subsidiaries in key international market. ROX Hi-Tech LLC was established in California to capitalize on growing demand for enterprise software and IT consulting services in North America. Simultaneously, ROX Hi-Tech Apps was incorporated in Denmark to enhance its footprint in the European region, enabling a closer proximity to clients and greater alignment



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with the regional IT transformation needs. To bolster offshore delivery capability and operational flexibility, the company also set up ROX Hi-Tech Mauritius, positioning it as a vital node in its global delivery network.

Further demonstrating its leadership in enterprise transformation, ROX, Hi-Tech secured a significant contract with Indocool Composite Private Limited to implement GROW with SAP. This engagement reflects the company's deep domain expert and business process automation and system integration across core functions such as finance, procurement, sales and manufacturing. The SAP-led transformation project is expected to enhance operational efficiency and scalability for the client, while reaffirming ROX's capability in deploying cutting edge ERP platform.

ROX Hi-Tech also achieves a major commercial milestone during the year by securing Rs. 40 crores in digital transformation orders from large enterprise clients. These projects span critical areas of application modernization, network optimization, and cybersecurity, highlighting the company's growth reputation as a trusted transformation partner. Additionally, our network operations center and security operations center are fully operational with few clients already onboarded.

On our medical automation practice, beta release is avoided due to AI alliances. ROX Hi-Tech became a member of Confederation of Indian Industry, CII, reinforcing its commitment to industry leadership, collaboration and digital policy advocacy in India's rapidly evolving technology ecosystem. In addition to its global expansion, major project wins, ROX Hi-Tech continued to make significant strides in the AI and digital transformation space.

The company formed an agentic AI alliances with SS&C Blue Prism for the India and South Asia markets, furthering its position in intelligent automation. It onboarded key clients such as ICPL, Kobelco and Shankar Ceiling for comprehensive digital transformation initiatives, while also implementing agentic AI solutions for Ashok Leyland's EV division, Switch Mobility, and Royal Infra Kolkata. These implementations underscore company's deepening expertise in AI driven enterprise transformation.

Further strengthening its technology portfolio, ROX Hi-Tech secured the APEPDCL, Andhra Pradesh and Telangana Project, for SAP data center refresh, and executed large scale campus network and security implementation for Waters Corporation GCC. The company expanded its global partnership by collaborating with IBM in North America and Europe for Power VS solution, and enhanced work with Google across Vertex AI, Google Workspace GWS, and Google Cloud Platform, GCP, for diverse agentic AI use cases. To support its growing delivery needs, ROX Hi-Tech also opened a new 50-seater office at Tiruchirappalli SEZ, reinforcing its operational footprint and regional presence.

Now, let me take you through the financial performance of the company during H2 FY '25:



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From a financial perspective, ROX Hi-Tech reported strong results for FY '25. On a consolidated basis, the company recorded a total income of Rs. 190.14 crores, EBITDA of Rs. 31.82 crores, and a net profit of Rs. 19.93 crores. These results reflect a healthy year-on-year growth trajectory supported by robust demand, improved cost efficiency and a disciplined execution.

On a standalone basis, the total income reached Rs. 189.19 crores, representing a Rs. 7.19 crores increase over FY '24. The company delivered an EBITDA of Rs. 31.21 crores with a margin of 16.49% and a net profit of Rs. 19.32 crores, translating to a net margin of 10.21%. The diluted EPS stood at Rs. 8.46.

The second half of FY '25, October '24 to March '25, standalone revenue grew to Rs. 104.39 crores. The company posted an EBITDA of Rs. 10.73 crores with a margin of 10.28% and our net profit stood at Rs. 9.11 crores, yielding a margin of 8.73%. These figures underline the company's consistent operational performance and its ability to sustain profitability amidst expansion and investment.

With continued focus on global delivery, enterprise transformation and digital innovation, ROX Hi-Tech enters FY '26 well positioned to build on its momentum and drive long term value creation for stakeholders. The noteworthy performance is the reward of our hard work, our effective growth strategies, operational efficiency and lucrative market opportunity, which we capitalize during the reported period.

At this point, we would like to assure you the future is bright, and our company will do every effort to optimize profit from it.

With this brief update, I would like to hand over the call to Mr. Jim Rakesh, Managing Director of ROX Hi-Tech Limited, for the Q&A session.

**Jim Rakesh:** So good evening to all the shareholders. First of all, I would like to thank Agna Daicy for putting up across the business performance eloquently and in detail. And thanks for Kirin Advisors for setting this up.

**Agna Daicy:** Now I request the operator to kindly open the floor for Q&A. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer-session. The first question is from the line of Priya from Green Capital. Please go ahead.

**Priya:** Hello. Sir, I had a few questions, the first question is, how does ROX differentiate its services offering from other mid-sized IT players in India?

**Jim Rakesh:** Ma'am, I think this question has been addressed multiple times, but still. See, we have expertise in the digital transformation track delivery. So ROX has got an end-to-end capability to

completely execute, implement and bring a business value to a customer on the complete digital transformation stack, that means from edge computing to network security to data center, application, automation and AI. For all the pieces of the puzzle, we are able to execute and demonstrate business value of technology adoption to customers.

**Priya:** Also my next question is, what internal metrics are used to track digital transformation success across clients?

**Jim Rakesh:** See, fundamental aspect is the ROI of the customer, return on investment, and the total cost of ownership what the customers have in their budgeted plans. And we are able to meet them based on their goals as well.

**Priya:** Sir, what percent of the revenue is currently from recurring versus project?

**Jim Rakesh:** See, predominantly its project based, recurring will be easily around 25%, 30%.

**Priya:** And so what is the employee utilization rate and how is talent retention being addressed?

**Jim Rakesh:** See, employee retention, I think we are able to succeed. I think the work culture in ROX is in such a way that we are equal employment opportunity provider. So that way we are able to retain talent. We are around another 50 people right now, professionals, most of them are certified in this technology and we are going to expand another 50 in 18 months from now. And yes, I think, of course, every human being can expand their human potential to add more value. So we are trying to optimize our workforce efficiently going forward by motivating them by EOPS and various other perks.

**Priya:** Good to hear, sir. All the best. That's it from my side. Thanks.

**Moderator:** Thank you very much. The next question is from the line of Abhishek Sharma, an individual investor. Please go ahead.

**Abhishek Sharma:** Yes, my question is, what is the development road map for the medical automation platform? And when is the commercial rollout expected?

**Jim Rakesh:** So we were supposed to announce it in this financial year. I think we are waiting for this technology alliance because the AI market is very dynamic, and we are not able to choose the right technology to bring it to the market. So that is the one piece of the puzzle we are still working on. I think you will hear from us in the end of H1 results, yes.

**Abhishek Sharma:** And what is the strategic importance of partnership with Google in Vertex AI, GWS and GCP?

**Jim Rakesh:** Of course, most of the customers today are looking at a robust vendor in the cloud who can handle the entire digital transformation with the AI experience. So with Google, technology

expertise what we are building within, we are able to showcase business value in somewhere around 40 to 45 use cases. So these all will translate into customer, I would say, business value in the coming quarters.

**Abhishek Sharma:** And what proportion of R&D and innovation budget is allocated towards next generation solutions like intelligent automation?

**Jim Rakesh:** Internally we have we have created what we call a lab, so that is where we are building intelligent automation, medical automation, these kinds of technologies. So that's where our new set of employees will be onboarded in these technologies have hands on. We have tested the most solutions, we have trial versions, so all our practice and, I would say, development of new use cases and all is going on in our test and development centers, what we have.

**Abhishek Sharma:** My last question is, how is ROX integrating AI and RP across its client offering beyond SAP implementation?

**Jim Rakesh:** So, we have won the use cases, a couple of deals. I think we are going to now broad base that to most of our clients, today we are able to showcase agentic AI in action. So yes, that's the reality today and the customers are seeing business value out of it and they are able to seamlessly execute in the customer premises now.

**Abhishek Sharma:** Okay. Thank you, sir.

**Moderator:** Thank you very much. The next question is from the line of Amit from MIT Engineers. Please go ahead.

**Amit Bhat:** Sir, in the last financial year, the market eroded two-thirds of our market cap. Few observations sir, a Rs. 200 crores top line IT company with very good management, with 10% margin, not even getting the 6 PE where peers are getting 15 to 20 PE easily. Sir, most of the QIP, including the pre-IPO investor Lalit Dua who's holding Rs. 22 lakh shares and now holding only a few lakhs has deserted our company. So my first question is, has management taken congregations of this carnage? And the second question is, it will be great help if the promoter throw some light and enlightened us what went wrong with our company? Because we lost lots of money, the investors.

**Jim Rakesh:** Sir, your good name?

**Amit Bhat:** Amit Bhatt from MIT Engineers.

**Jim Rakesh:** Yes. Mr. Amit, I run the business. If you ask questions about business, customers, future of the company, and performance, I will be able to elaborate in detail. How can I answer for what is the shareholder, what is the investor's mindset, what is the behavior of an investor. So I will not be able to comment.

**Amit Bhat:** But sir, sorry to interrupt, you are meeting analysts every 15 days, 20 days and you are telling that you are not bothered about the wealth destructions. Companies are troubling to create wealth for investors not destroying, and you are telling that you do not care about that. This is very irresponsible answer from the company, sir. You have to first of all have to accept that there is something wrong, why market is not taking. Sir, market is God, market knows everything. So, sir, please tell us that what feedback you are getting. Why our company, such a good company, is not getting the valuation. This is a simple question I am asking, and you are not even answering.

**Jim Rakesh:** Mr. Amit, please relax. See the point here is, I cannot answer for somebody else's behavior, which I do not have control. What we are having control is the strategy, mission, employee performance, customer outcomes, these are all parameters where management has control. So tomorrow, let's assume you are owning some XYZ worth of shares and you tomorrow liquidated and go, how can I answer for you to somebody else. That's not possible.

**Amit Bhat:** But sir, why our company is not getting the valuations, sir? Because there are 10 IT companies in the similar field. If nine companies out of the 10 are getting 15 to 20 PE, and our company is not even getting the 6 PE, then management should introspect that there is something which you are not communicating properly with the market, this is also a part, sir. We are investing because we want our wealth increase, but here you are telling that you are only bothered about Rs. 200 crores or Rs. 190 crores where you stuck up since last two years, and you are telling them very fancy story initially about that automation, and now you are not giving the proper answer regarding those. And your meeting analysts sir, every NSE notification at least 20, 25 times you are meeting the analysts and the investors, and you are telling you are not knowing. what the behavior of the investors is, sir? Sorry, I am little bit rude, but it's a basically sentiment most of the investors are having, sir.

**Moderator:** Sir, sorry to interrupt, but can you please join the question queue again.

**Amit Bhat:** Okay. Thank you. Thank you, madam.

**Moderator:** The next question is from the line of Unnati from Unity Finance. Please go ahead.

**Unnati:** Yes. I wanted to know what is the guidance for revenue and profitability in Financial Year '26?

**Jim Rakesh:** So, ma'am, I think we are bullish about this year and the subsequent years. I think we should be able to grow at around 20% kind of a number, yes.

**Unnati:** Okay. And what role will medical automation and AI driven platforms play in future growth?

**Jim Rakesh:** Of course, that's going to be substantial. That's what I was just elaborating, saying that agentic AI has become a revenue generating engine for us. Medical automation, we will announce the

H1 results about the technology alliance. We are just waiting for that final alliance to happen so that we want to work with the partner where scale can be possible.

**Unnati:** And how does the company plan to evolve its partnership with this whole Lenovo and Google?

**Jim Rakesh:** Yes, we are doing well. We want to grow one step above, that's the plan. And we want to broad base our market reach, we want to address more customers, we want to increase our presence in the market. That's where we are going to add more sales team, geography wise as well. So that way we will have more revenues coming in as well.

**Unnati:** Okay. And what capital expenditure like CAPEX is planned for Financial Year '26 and '27?

**Jim Rakesh:** So, ma'am, that's still in the discussion. I think we will come out with maybe kind of separate announcement on the capital expenditures, stuff like that later.

**Unnati:** Okay. And my last question is, are there any merger or acquisition opportunities under evaluation?

**Jim Rakesh:** Yes, I think we are evaluating a couple of companies which can give us synergy in certain geographies, so that is under pursuit as well.

**Unnati:** Thank you for answering. That's all from my side. Thank you.

**Jim Rakesh:** Welcome. Thank you.

**Moderator:** Thank you very much. The next question is from the line of Mithun Shah, an individual investor. Please go ahead.

**Mithun Shah:** Hello, good evening. Sir, I would just like to know first question is that, what is the cash in hands as of now?

**Jim Rakesh:** Cash in hand, see, I think we have FDs and all those things, so I think that numbers are reflecting in the balance sheet I think, that's self-explanatory.

**Mithun Shah:** Okay, fair enough. So my second question would be, see, a company is almost two decades old, so we have quite good owner expertise as well as experience as far as the industry is concerned and the management is concerned. So my only question is that, if you see quite a couple, not a couple, many of the peers who have been working in this industry say for two decades, those companies have been clocking as the minimum Rs. 1,000 crores of top line. See, minimum Rs. 1,000 or Rs. 2,000 crores top line. If we were to see our company's performance, we have been notching just a notch below Rs. 200 crores of top time. Any specific reason? I mean, is it that we are not aggressive in any inorganic acquisition or what can be the response to that?

- Jim Rakesh:** I think you are asking a question it is very prospective by nature. I think in the future we will grow. That's what it is. That's the reason we came to the capital markets. And we are taking the necessary measures to scale.
- Mithun Shah:** Okay. So, also, I can see the debt has increased with respect to last year, the debt to equity was 0.23 last year and it has increased to 0.43 this year, any specific reason for that?
- Jim Rakesh:** So it is not debt per se, I think there are couple of factoring limits and invoice factoring limits and all that we have added in the overall portfolio, that is the reason it looks like that. Maybe in detail notes I think you will be able to see the difference.
- Mithun Shah:** Fair enough. So since I was talking about this top line clocking, say, with respect to peers, so as of now we clock somewhere around sub Rs. 200 crores as top line. So what is the company's vision for the next three years or five years down the line? Any ballpark figure if the company has a target?
- Jim Rakesh:** Yes. We want to sustain and grow over 20%, that's the minimum what I can give. Rest I think I will leave it to the markets, behavior and yes.
- Mithun Shah:** Fair enough. And in the presentation, I see in the cash flow from operations in the presentation which has been uploaded, for FY '23, FY '24 and FY '25, for FY '25 there is one more line item called FY '25 C. What does that C stands for? In the cash flow statement basically, so that's on page number 39 cash flow statement, it shows FY '25 C. I mean, we have FY '23, we have FY '24, we have FY '25, but there is something called as FY '25 C. So I am not able to understand that properly, what is that FY '25 C?
- Jim Rakesh:** So can we revert to you on this after the call?
- Mithun Shah:** Sure, sure.
- Jim Rakesh:** Maybe a broader perspective I think we will be able to answer now. Anything specific I think I will just answer it later.
- Sukanya Rakesh:** I am sorry, that's cumulative, the consolidated.
- Mithun Shah:** Yes, yes. Okay. The first column FY '25 is the standalone whereas the consolidated is the consolidated one.
- Sukanya Rakesh:** Correct.
- Mithun Shah:** Yes. So why does it show, I mean, negative basically, is there any specific reason? I mean, my question is, if it not generating positive cash flow, how would we be able to deploy cash into the company and grow it, I mean, that was my query?

**Sukanya Rakesh:** We have been acquiring asset in the form of the setting up of NOC and SOC centers, and also the data centers for Google operations. Jim, if you could throw some light on it.

**Jim Rakesh:** See, I think we are setting up these. That's what I said, right, NOC, SOC and we have medical automation centers. So that's the infrastructure getting built. So that is safe to convert in to know business revenue, that's getting more into CAPEX. So this year I think you will be seeing that in the balance sheet.

**Mithun Shah:** Yes, probably that also would be the reason for the increase in debt to equity.

**Jim Rakesh:** Yes.

**Mithun Shah:** And one more question. I will come back again if I get an opportunity. Thanks for replying so patiently. If we were to see the key ratios on page 40, the earnings per share as such, if you see the last three years, the earnings per share have been consistently declining. That means the profitability is not increasing, which is what one of the PR investor was raising just a while earlier. So again my only question in a very soft way basically is, I mean, how do we raise the curve from here? Rather than decreasing EPS, what is the management's way going ahead to increase the EPS? How do you we as investors get confident?

**Jim Rakesh:** So if you look at the reason why we are creating subsidiaries and trying to expand to multiple geographies it is to add more revenue and more profitability. So that's where the investments have gone. This kind of if you look at the expenditure also has gone because we have invested in these areas. So this all will flow back in the future. It will come back as positive growth and positive revenue, right. The idea is to reach a threshold of the number which I think internally we have calculated, beyond which I think the services delivery team can start adding a lot of margins in their delivery book. So then automatically the EPS and the other ratios what the investors are looking at, they will automatically get compensated.

**Mithun Shah:** Got it. So how soon are we expecting an uptick in this?

**Jim Rakesh:** Maybe in a year or so, I think by 2027 I think we should be in that range.

**Mithun Shah:** Perfect. So thanks a lot for giving the opportunity. I really appreciate it once again. Thanks a lot.

**Jim Rakesh:** Sure, sir. Thank you very much.

**Moderator:** Thank you very much. The next question is from the line of Rakshit Dholakia from Moneywealth. Please go ahead.

**Rakshit Dholakia:** Hello, sir. Good evening. I am Rakshit Dholakia from Ahmedabad, Gujarat. I am continuously watching your company's profile update, your company's website, your results, XYZ, I am really interested in your company. I also draw your attention that I mailed three to four times in your

compliance department, but I never got a response from them, just a one-time response I got, in that I mailed three to four times but there is no any response from your compliance department.

**Jim Rakesh:** Sir, what e-mail ID did you send the mail to?

**Rakshit Dholakia:** Firstly I mailed in the March month, then I got a reply to visit the Chennai office. I want to visit the Ahmedabad office you mentioned in your website. But there is no reply about this.

**Jim Rakesh:** Okay. So can you just let us know what is the e-mail ID you are sending the mails to, let me just write it.

**Rakshit Dholakia:** Moneywealthpms@gmail.com.

**Jim Rakesh:** Okay. Which is the e-mail ID you are writing mails to?

**Rakshit Dholakia:** I think I mailed in on three e-mail IDs. As of now I do not know, but the it is the other mobile phone. I also mailed on three mail IDs which is mentioned on your website. And the number you have given on the website is completely wrong. Then I called from Thenmozhi, who is your compliance officer, and I also drew her attention about this misinformation shown on your website, because the number is not reachable and the mail ID is not reachable. But there is no any update, still two months to go but there is no any update on your website. The number is completely wrong. Mail ID is not replied.

**Jim Rakesh:** Yes. So let me look into it. Sir, I think there's some communication gap here. Let me understand from my PR team and let me fix it. Sure. We will come back to you with the reply very soon.

**Rakshit Dholakia:** I want to also ask about the company performance.

**Moderator:** Sir, sorry to interrupt. Can you please rejoin for a follow up?

**Rakshit Dholakia:** Okay. Thank you.

**Moderator:** Thank you very much. The next question is from the line of Aditya from Avora Advisors. Please go ahead.

**Aditya:** Hi, Mr. Rakesh. Thanks for taking our questions. I had a query about the product that you were working on in the oncology space, right. Could you share some developments about how that has been progressing and what is the potential market size for this kind of product in the coming years?

**Jim Rakesh:** So that's what I mentioned previously also, medical automation is what the subject what we have developed. The beta type is ready. We are waiting for others. A couple of my team is actually talking to couple of AI companies where we can partner with them so that we can reach the scale. So because the AI market currently is very dynamic, every week we are getting some new

technology coming in, so we are not able to zero down and we do not want to time it also wrongly. So that is the one area where we are waiting. I think by H1 end results we should be able to, by September we should be able to identify which is the brand we want to associate with. Once that is associated, I think we should be able to showcase those technologies.

**Aditya:** All right. And any comments on the potential market size of this kind of product, because it seems quite unique, it's difficult to find something comparable.

**Jim Rakesh:** Yes, see, market size, we are trying to do it through the cloudified version. So the business projections are yet to come. So maybe by September we will be able to give you that projections as well for that product.

**Aditya:** Yes. So my second question was about the high employee cost compared to previous year, right, they have more than doubled, even though --

**Moderator:** Sir, there is a disturbance on your end. You are not audible anymore.

**Aditya:** Yes, my question was about the high employee cost in FY '25 compared to FY '24, they have moved double even though --

**Jim Rakesh:** Yes. So we have deployed capacities for future growth, that's what I also mentioned in the previous question by some other investor. So see, you have building capacities in multiple places for future revenues. I think we should also deploy manpower and various quality professionals in the business. So we have added eight counts. We have also added some senior level people who have started working on various territories. So you will see that reflecting, the flow back reflecting in the future performance of the companies.

**Aditya:** Understood. That's all from my side. Thank you.

**Moderator:** Thank you very much. The next question is from the line of Mahesh Sheth, an individual investor. Please go ahead.

**Mahesh Sheth:** So my first question is that like, what is the long term strategic objective behind your expansion into Singapore, Denmark, USA and Mauritius? And how does the company plan to scale operations in its newly formed international subsidiary?

**Jim Rakesh:** Yes, the idea is to onboard global clients so that we can start servicing and delivering from here, because we have very effectively already demonstrated that we can effectively execute digital transformation. So we are trying to deploy some sales and pre-sales teams in these templates. Once the teams are up and running, we will start going and start engaging with our customers and we will start onboarding clients and that's where we will start generating more revenue.

- Mahesh Sheth:** Okay. And like, what is the vision for ROX's AI, RPA and cloud transformation vertical in the next three to five years?
- Jim Rakesh:** The future is going in that direction. Most of the customers are embracing AI as technology. I think we are seeing a lot of revenue potential in those areas. And we have already have wins here and we have demonstrated customer outcomes. So we will broad base that implementation.
- Mahesh Sheth:** Okay, got it. And how does the SAP and IBM partnership enhances ROX's competitive edge?
- Jim Rakesh:** Of course, the technology partnership is very key, that's where we are able to give sustainable and long-term solutions to customer outcomes. So that will continue, and we want to grow in those areas as well.
- Mahesh Sheth:** Okay, got it. That's it from my side. Thank you.
- Jim Rakesh:** Thank you.
- Moderator:** Thank you very much. The next question is from the line of Anil Kumar, an individual investor. Please go ahead.
- Anil Kumar:** Good afternoon, sir. Sir my question is regarding in H1 of this year you are having EBITDA margin of around 25% and in the second half it is 10.3%. Overall it is 16% is okay, but in the second-half the margin has come down drastically, this is my first question, and what is the guidance.
- Jim Rakesh:** The reason is because we have started investing for our future growth. That's the reason we have spent that money. So that's what it is. So you will see that reflecting in the subsequent years.
- Anil Kumar:** What is the guidance, because 10% margin vis-à-vis 25% margin in one half, a drastic downward trend is there, is it going to continue downward trend or we can --
- Jim Rakesh:** No, you will see recovery coming in the subsequent years.
- Anil Kumar:** Any rough idea on the EBITDA margin, what you are expecting EBITDA margin for this year and the coming year, any rough idea?
- Jim Rakesh:** No, the plan is to go back to our original position, that's what it is.
- Anil Kumar:** And what is that?
- Jim Rakesh:** About what we did in the last years.

- Anil Kumar:** Okay. And my second question is sir, regarding this investment, you have invested in the fixed asset, in the consolidated balance sheet it is Rs. 58 crores have been invested in fixed assets. Can you give some light on what is this component this comprises of?
- Jim Rakesh:** That's what I said, NOC, SOC, and investments gone for medical automation and those kind of infrastructure what we have put.
- Anil Kumar:** This is in fixed assets, these are the equipments, I mean, in fixed it is there, in medical?
- Jim Rakesh:** Of course. They are all data centers, without the data center how can we build technology?
- Anil Kumar:** Okay, that is in data center, your personal data center, okay. And sir, there is a difference in the standalone and consolidated, in this standalone this is Rs. 23 crores and the consolidated it is Rs. 58 crores. So it means Rs. 25 crores you have invested outside India in the subsidiaries?
- Jim Rakesh:** I am not sure.
- Anil Kumar:** How much you have invested in the subsidiaries, your international subsidiaries?
- Jim Rakesh:** See, we will come back to all that particular detail to you, yes.
- Anil Kumar:** My second question is receivables debtors, it is on the very high side, but can you throw some light on this.
- Jim Rakesh:** That's what I am saying, right? We will come back to you on that particular detail to you to understand exactly what is your question and we take it later.
- Anil Kumar:** Sir receivables debtors, it is on the very high side, simple question. So it is on five months basis, you are giving credit for five months, is it so or will it come down?
- Jim Rakesh:** How do you come out with this number? How do you say it's five months? It's 120 days, 124 days, 90 days is the cycle.
- Anil Kumar:** Sir, Rs. 74 crores figure is there, and your sale is Rs. 190 crores. It comes to five months, around five months, more than four and a half months.
- Sukanya Rakesh:** Can I answer this? This is C, the consolidated and the standalone, the difference is majorly because of these businesses that has happened in the subsidiaries.
- Anil Kumar:** Madam, but five months I mean the debtors is on the very high side. So my question is, whether these are receivables, whether there is any bad debt in it?

- Sukanya Rakesh:** I am sorry, could you repeat your question? If you are asking me how does the hike happen, then the hike has happened between these subsidiaries that has been started and the business that has been brought inside within the subsidiaries. If that is your question, I have answered it.
- Anil Kumar:** Do you have any plan to reduce it, madam?
- Sukanya Rakesh:** Any plans?
- Anil Kumar:** To reduce it, your debtor receivable is on higher side, whether you are thinking on --
- Sukanya Rakesh:** Are you questioning about the debtors?
- Anil Kumar:** Yes, debtors.
- Sukanya Rakesh:** Debtors?
- Anil Kumar:** Madam receivable, the debtors.
- Jim Rakesh:** Yes, that's what, we will work towards reducing this in subsequent years.
- Anil Kumar:** Okay, that is a very simple answer. Okay, thank you, sir. Any guidance on this '26 or '27, revenue front and EBITDA front?
- Jim Rakesh:** I think we should be able to grow at 20%, that's what it is.
- Anil Kumar:** EBITDA 20% growth you have given, okay, you are saying that was last year.
- Jim Rakesh:** Yes.
- Anil Kumar:** Okay. Thank you. Thanks, sir. Best wishes from my side.
- Moderator:** Thank you very much. The next question is from the line of Rakshit Dholakia from Moneywealth. Please go ahead.
- Rakshit Dholakia:** Yes, sir. I want to ask that your employee costing is almost 100% growing this year, last financial year. So have you hired double employment for the business purpose?
- Jim Rakesh:** Yes, I think I have already answered in the previous questions. We have hired people for our future growth, so that's why I think the cost of employment has gone up.
- Rakshit Dholakia:** And are you any planning for fundraising in the near future?
- Jim Rakesh:** We will come back to you. We will come back to you on those requirements. I think our market maker and those kinds of teams will start engaging before we have to announce.

- Rakshit Dholakia:** And why is the inventory is year by year increasing, trade receivables increasing, working days also increasing?
- Jim Rakesh:** We will work towards reducing it in the future, yes.
- Rakshit Dholakia:** Okay. And one most important question. The one public investor who already held around 10%, I think you also connect with them or not I do not know, but why, any dispute between the individual investor and company is there, they completely exit, almost 80% exit in open market?
- Jim Rakesh:** No, I think I do not want to comment on those things where I do not have control, and we do not have any dispute with anybody.
- Rakshit Dholakia:** Okay. Okay, thank you, sir.
- Moderator:** Thank you very much. The next question is from the line of Aditi Roy from Patel Advisors. Please go ahead.
- Aditi Roy:** Thank you. So my question is, what are the primary risks associated with the ROX's current expansion strategy?
- Jim Rakesh:** Yes, the primary risk?
- Aditi Roy:** Yes, primary risk.
- Jim Rakesh:** Just the act of God, what else.
- Aditi Roy:** That is associated with your expansion strategy?
- Jim Rakesh:** Of course, tomorrow we get into war with somebody, I think we will not be able to expand.
- Aditi Roy:** Sir, I have one another question, how is the company mitigating geopolitical or regulatory risk in new international markets?
- Jim Rakesh:** See, these are all out of our control. Let me be very frank. No company can mitigate geopolitical risks, that's all by the governments to handle. Company is doing commerce. So as long as there's a continuing environment and you are still not fitting into any conflict, I think digital transformation IT solutions are required for anybody today in the world to be competitive. So that's what that is.
- Aditi Roy:** Okay, sir. Thank you, sir. That's it from my side.
- Jim Rakesh:** Welcome. Thank you.



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**Moderator:** Thank you very much. As there are no further questions from the participants, I now hand the conference over to Mr. Harshil Ghanshyani for closing comments.

**Harshil Ghanshyani:** Thank you everyone for joining the conference call of ROX Hi-Tech Limited. If you have any queries, you can write it at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again, thank you everyone for joining the conference call.

**Jim Rakesh:** Sure. Thank you so much.

**Moderator:** Thank you very much. On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.