June 3, 2022

To, **BSE Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001 **BSE Scrip Code: 543451**	To, **National Stock Exchange of India Limited,** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 **NSE Scrip Symbol: AGSTRA**

Ref: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Transcript of Q4 FY 22 Earnings Conference Call held on May 30, 2022

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to our earlier intimation vide letter dated May 23, 2022, please find enclosed, the transcript of Q4 FY 22 Earnings Conference Call held on May 30, 2022.

The above information will also be available on the website of the Company at www.agsindia.com

This is for your information and record.

Thanking You,
For AGS Transact Technologies Limited

SNEHA PRABHAKAR KADAM
Digitally signed by SNEHA PRABHAKAR KADAM
Date: 2022.06.03 19:32:08 +05'30'

Sneha Kadam
Company Secretary and Compliance Officer
(Mem No: ACS 31215)

Enclosure: As above

“AGS Transact Technologies Limited Q4 FY 22 Earnings Conference Call”

May 30, 2022

Disclaimer: E&OE. This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 30th May 2022 will prevail.

MANAGEMENT: **MR. RAVI GOYAL - CHAIRMAN AND MANAGING DIRECTOR, AGS TRANSACT TECHNOLOGIES LIMITED**
MR. SAURABH LAL - CHIEF FINANCIAL OFFICER, AGS TRANSACT TECHNOLOGIES LIMITED

Moderator: Good day ladies and gentlemen, and a very warm welcome to the AGS Transact Technologies Limited Q4 FY22 Earnings Conference Call. Please note that this conference call may contain certain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company, as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in the listen only mode. 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 touchstone phone.

I'm now glad to hand the conference over to Mr. Ravi Goyal, Chairman and Managing Director of AGS Transact Technologies Limited. Thank you, and over to you, Mr. Goyal.

Ravi Goyal: Thank you. Good morning, everyone. A very warm welcome to each one and thank you for joining our Q4 and FY '22 earning call. On this call, I'm joined by our CFO, Mr. Saurabh Lal, and SGA, our Investor Relations Advisors. For us FY '22 has been a significant year for AGS Transact Technologies, in terms of stock exchange listings, launch of our digital platforms and solutions, expansion of ATM networks and conceiving and delivering numerous automation solutions.

During the year ended March 31, 2022, we successfully expanded our operations, servicing approximately 465,000 customers touchpoint across 2,200 cities and towns in India. We delivered a steady financial performance in FY '22 with total income of INR 17,973 million. In Q4, FY '22, total income stood at INR 4,050 million for Q4 FY '22 as against INR 5,583 million for Q4 FY '21. In the quarter, our business was hit due to Omicron wave and spillovers in the order book. Further, there were certain one-offs on the expense side, like impairment loss on trade receivables, Forex loss owing to ours Sri Lankan operations, finance costs related to NCD, which impacted our profitability. Saurabh will talk in detail about it later.

Our adjusted PBT excluding the impact of these one-off items stood at INR 869 million in FY '22 versus INR 853 million in FY '21. Overall, our business is in good shape as reflected in our operating business performance in the quarter. And we are very confident that we'll be able to deliver a stronger FY '23. Our endeavor will be to deliver higher profitability than FY '21 in FY '23 and accordingly share profits with shareholders in form of dividends.

As of March 31, 2022, AGS had installed, maintained, or managed a network of approximately 73,217 ATMs and CRMs. We provided cash management services to more than 45,000 ATMs through our wholly owned subsidiaries Securevalue. We installed 236,588 merchant point of solution and approximately 48,500 cash billing terminals. We automated approximately 18,000 petroleum outlets and we installed approximately 88,700 color dispensing machines. For the year ended, March 31, 2022, Securevalue replenished a daily average amount of approximately INR 22 billion. We processed 1,232 million switching transactions. Our GTV of around 291,711 million with 180.45 million merchant transactions. Our operations covered approximately 2,200 cities and towns, servicing approximately 465,000 machines or customer touchpoints as of March 31, 2022. Our focus is on creating an integrated omnichannel payment platform in the country by providing cash payment and digital solutions to banks and corporate clients.

The ATM outsourcing business in which we deploy ATM on behalf of banks on a transaction or a fixed fee basis, contributed approximately 47% of our FY '22 top line. Another 14% of top line came from AMC services and upgrades. Cash management is a key part of ATM outsourcing, and we have a completely owned company called Securevalue India Limited that specializes in cash management. It oversees cash management for both captive and managed ATMs, and this segment contributed approximately 13.5% of FY '22 top line.

As discussed in our previous call, we have created two very strong digital platforms, Ongo and Fastlane. Ongo is our platform for acquiring and issuance. We acquire digital payments using point of sale systems, and on the issuance side, we have prepaid card license from RBI in our wholly owned subsidiary called India Transact Services Limited. Our open loop Ongo prepaid card, it can be used by consumer to pay for online and offline shopping and fueling, and this digital segment contributed approximately 15% of our top line. Revenue from the products was around 10% of our top line.

Over the years strategically we have grown the share of our service revenue from 83% in FY '19 to approximately 90% in FY '22. And these service revenues are recurring in nature and are backed by long term contracts. With a strong pipeline of new RFPs from leading public and private sector banks, we are very optimistic for our ATM outsourcing segment.

The ATM outsourcing segment has got a shot in line with RBI's proposal, to set up 75 digital banking units in 75 districts of the country by scheduled commercial banks. As per RBI guidelines, banks are free to adopt an in-source or outsource model for operations of these DBUs. We are looking forward to tapping this opportunity and additionally, the RBI's circular on interoperable cardless withdrawal on ATMs, which is popularly called as ICCW, that is cardless cash withdrawal from ATM via UPI, will encourage overall transactions on ATM by providing a faster and more secure form of cash withdrawal. AGS Transact Technologies had pioneered this solution way back in 2019, with the introduction of QR based cardless cash withdrawal with the leading public sector bank ATMs.

Our longstanding relationship with our customers across industries puts us in an advantageous position for our new business and cross selling opportunities and enhances our market reputation. Our near-term objectives are to grow and scale up our digital business and pivot from payment as a service to payment as a convenience, through the Ongo Card ecosystem. We will continue to add more merchants to our Ongo ecosystem, with our focus on OMCs and offer customized digital solutions, in addition to the integrated payment platform via Ongo PoS terminals.

Now I would request my colleague, Saurabh Lal, CFO of AGS Transact Technologies to share the financial highlights of FY '22. Saurabh, over to you.

Saurabh Lal: Yes. Thank you, Ravi. Good morning, everyone. First of all, I would like to walkthrough through the performance of FY '22 with you. In the year ending March 2022, the total revenue of the group stood that INR 17,973 million versus against INR 17,972 million for FY '21. Our total income in nine months registered a 12-month growth. But Q4 FY '22 was a muted quarter for us. I will elaborate further on this when we talk about our quarterly performance.

In the year ending March 2022, the adjusted EBITDA of the group stood at INR 4,790 million as against INR 4,796 million in FY '21. It is noteworthy that our EBITDA for the year was impacted by certain expenses, which were non-recurring in nature. There is an impairment loss and a service level adjustment ranging up to INR 247 million on trade receivable. This is on account of provision we've made with respect to two of our clients on the receivable front. We also had to book a loss of around INR 54 million due to the devaluation of our currency for our operations in Sri Lanka.

A considerable portion of these non-recurring expenses were since incurred in Q4 FY '22, and hence has impacted our Q4 FY '22 EBITDA as well. Adjusted EBITDA margin for FY '22 and FY '21, both stood at around very healthy 26.7%. During FY '22 AGS redeemed outstanding NCD worth INR 5,500 million, which was part of the object of the offer. As for the main objective of the OFS in the IPO, our promoter sold shares and net proceeds were increased in the company for buying this CCPS from the company. As a result, our finance cost includes a non-recurring expenses of INR 1,034 million of interest on the listed NCDs, and INR 74 million of prepayment charges and other amount we have paid for this loan in NCD repayments. Our adjusted PBT excluding all these non-recurring expenses stood at INR 869 million as against INR 853 million in FY '21.

Now I'll take you through this segment, vice performance of the company. On a segment-based perspective in FY '22, comprising of three major payment segments that we have, or I would say business segment, one is a payment segment, which constitutes of two business verticals.

One is cash business and the digital business; the overall performance of this business constitutes to be 76% of our total revenue. 61% came from cash management business, and 15% came from the digital business for us. Banking automation solutions contributed 11% of the total revenue and other automation solutions constituted 13% of the total revenue, during the year our banking service segment results have shown a multiple increase in the profitabilities and the revenues also.

Now turning to our performance for the Q4 of FY '22, our total income stood at INR 4,050 million for Q4 of 2022 as against 5,583 million for Q4 in '21. This de-growth was primarily on account of drop in our ATM outsourcing business, which was hit due to decline in total number of transaction because of Omicron wave in January through early February. Service level revenue adjustments and lower revenue from Sri Lanka, subsidiary due to the devaluation of currency also. Besides our other business segments were impacting in certain extent, due to the spill of our order books as well. The adjusted EBITDA for the Q4 of FY '22 stood at INR 1,160 million as against INR 1,962 million for Q4 of FY '21. EBITDA margin of Q4 of '22 stood at 28.6% as against 35.1% margin in the same period last year. Our adjusted PBT excluding all the non-recurring expenses stood at INR 147 million as against INR 912 million for FY '21.

After our repayment of NCDs, we expect record significant lower interest expense from the Q1 of FY '23 onwards. Going over segmental performance for the quarter. Our payment solution constitute 78% of our revenue in Q4 FY '22. This segment includes cash solution, which contributed 62% of our total revenue. The cash solutions cover ATM and CRM outsourcing and managed services and cash management fees. The growth is largely driven by expansion in our cash management network. Digital solution contributes 16% of our total revenue. This includes revenue from POS machines, switching, transactions, and Fastlane business.

Our banking automation solutions comprises of sale of ATM, CRMs and other currency technologies products, and self-service terminals, and latest services and upgrades. This segment contributed 14% of our revenue, our other automation solution business segment, which encompasses the sale of machines and related services to customer in retail petroleum, color segment. The segment contributes 8% of our total revenue.

With this, we conclude our presentations and open the floor for further discussions. Thank you.

Moderator: Thank you very much. The first question is from the line of Manik Taneja from JM Financial, please go ahead.

Manik Taneja: Hi, thank you for the opportunity. Saurabh I just wanted to understand what is the progress with regards to the POS implementation at the OMCs, because at the start of the year, we were hopeful that we would be able to implement it across almost like 83,000 to 84,000 POS installations at the OMC end. However, it appears we are significantly behind the curve. If you could give us some broader contours of when we should expect this implementation to get completed. And the second question was with regards to our ATM cash management business, if you could help us understand what's driven the decline in terms of the cash management ATMs for us during the course of FY '22; and how should we be thinking about price increases on this segment? Thank you.

Saurabh Lal: Thank you Manik. With respect to the -- I'll take this into two parts. As you said, we have a very, very strong order book from all the three oil marketing companies with us. The deployment strategy is already on with respect to implementation of these POS machines. If you see our total implementation when we last presented our numbers to all of you, we were at around 39,900 POS terminals. We closed the financial year 2022 with around 46,485 terminals.

So, there is an incremental installation of around 6,549 terminals that has happened in the last quarter of the year. The plan is to ensure that this deployment gets concluded as early as possible. There is a complete focus from the company side and also and there is a complete focus from the OMC side also to ensure that these deployments happen at the earliest, but considering these deployment has to happen at various retail outlet, which is not owned by these OMC companies. And these are I would say public sector undertaking where certain actions take some time.

So, we are really confident that we were able to conclude this deployment at the earliest but going with the pace at which we are right now deploying around 2,500, approximately terminals on month on one basis, we believe that this space will grow very fast. Now we have been certain with respect to supply portions also, there were certain in between a month delays on the supply set because of the logistics was not happening through various ports. I think things are now settle, and we are confident that we'll be able to complete this deployment at the earliest. Allow us one more quarter to come back. Whether the deployment will get over by next quarter, or may take some more time, but yes, the focus is immediately to close this deployment on OMC side.

Now going to the cash management side. The second part, which we say if you see, I'll split this cash management into two parts. One is the ATM outsourcing piece and second is the cash management, which is driven by our subsidiary Securevalue. In this Securevalue business, if you see, we have shown a significant growth as compared to last year, we were at around -- we did the total turnover of around INR 400 crore, which has moved to INR 470 crore on a quarter and quarter, on year-on-year basis. This revenue continues to grow. The business line that we have built through Securevalue because of various compliances and other things that we have done, it is helping us to build those models. And from the ATM outsourcing piece, yes, if we see on overall basis, this business is slightly down with respect to what we have achieved last year, but on overall basis, putting this business together, ATM outsourcing business and cash minimum business, we have delivered a turnover on INR 1,080 crore versus INR 1,135 crore last year. And on a quarter-on-quarter basis, we believed with the wave going down, the offices are opening up, the transactions are going up, the ATM outsourcing will continue to grow with the new deployment from cash management services like CRM deployment and everything. I think we will see a good opportunity for us to deliver a very strong number as we grow and move forward in this next year. And next quarter on quarter.

Manik Taneja: Sure, just a clarification question with regard to the OMC POS machine. If you could help us understand what was the exact quantum of the GTV on the OMC POS machines in Q4, because I understand that it was down sequentially, despite the increase in terms of POS terminal sale.

Saurabh Lal: So Manik if you see on an overall performance basis, on a year-on-year basis, yes, the contribution of OMC GTV is increasing in our portfolio. It used to be INR 13,300 crore last year. It has moved to INR 22,480 crore this year, on a contribution basis. If you see on quarter four basis, quarter three, it is largely, I would say driven not by various merchants, either delaying their utilizations or not doing the full transactions because of various reasons with them. The merchant generally believes in doing early settlement of transactions, sometime delaying transactions. That is one of the reason, but if I split my revenue, which was around INR 5,000 crore of GTV this year versus INR 17,000 crore GTV, which we have achieved last year was approximately I would say around INR 5,500 INR and we achieved at INR 5,000 crore of GTV. But if I split the INR 5,000 crore into three parts, which is January, February, March; we see that January, February, we saw some declines in transactions, maybe because of some form of restrictions on the movements of good because of, I'll not say detailed lockdowns or something, but some lockdowns on the account of Omicron. But in the March quarter, as we closed month end, we were already back to INR 2,000 crore plus of turnover.

So we believe these transaction numbers will grow at the same time, as we are expanding our POS base, we are also building our team of people who is going to monitor all these terminals deployments and increasing the base of the transactions with the merchant so that we can ensure that the expected GTV which we are trying to generate from this merchant by becoming the exclusive merchant, by giving the value-added services, will continue, will grow further and will help us to build, I would say a sizeable portion, not only on the GTV front, but on various other payment fronts with these POS machines.

Manik Taneja: Sure, and one last question on the receivable side. We have seen a significant increase in our debtor as of FY '22 end, despite the sequential decline in revenues in 4Q as well as revenues remaining flat on a full year basis in FY '22. So, what explains that if you could help us understand what's driven the increase in the data position for us?

Saurabh Lal: Sure. So Manik from the debtors perspective, as you know, our business is largely consisted of service revenues, which we split into three parts of revenues. One is a revenue coming from AGS, revenue coming from SecureValue and coming from ITSL. So on AGS side, if I split this increment of revenue, so in debtor -- Manik I'm sure you're taking both the accounts. We have two form of debtor, one is the billed receivable, one is unbilled receivable; so on a billed receivable and unbilled receivable if I take Y-on-Y we saw increase of around a INR 100 crore in our debtor. In spite, we have a -- I would say a flat revenue as compared to last year. This is primarily related to one of the factors, or I would say a couple of factors on both the sites.

In AGS we have increased in this, probably because of the slight delays from the customer, with respect to the payments getting delayed because of various approvals and other things which is required for the banks and the customers for release of those payments and everything. And somehow, I will not say this has become a new normal, but in last one and half years what I've seen is that because of the Covid there has been change in a lot of prophecies at various customer end, which resulted into various delays. Some payments get moved to decentralized mode, some payments were moved to centralized mode and everything. Similarly, in Securevalue, if I split the major fees as a common Securevalue also, if we speak from the company's operation perspective, since company has shown the growth in the revenue on a Securevalue basis, we saw some percentage of increase in the debtors, which is in line with their revenue streams. But having said that, I will totally appreciate and agree on that part, that we have a very extended working capital lines with respect to coming money on the debtors. And we are ensuring that it has to be corrected because this is the money which we have to collect from the customer and it is going to help the company to reduce other influential things, which is like debt reduction and everything is going to help us.

So, there are a team of people who's working aggressively to ensure to bring this working capital line within their limited range to bring this debtor in the limited numbers. But as of today, we are targeting to ensure that these numbers should get collected immediately. But having said that, as I said, Securevalue increase of around INR 40 crore or INR 45 crore that has happened on the debtor, which is primarily because of the increase in the revenue of around INR 70 crore to INR 80 crore on year-on-year basis, from three to four months of debtor got added.

In AGS because of slight change in the revenue, I would say collection of the revenue from the customers and everything, a slight delay has been observed, but we are very much cognizant on this, Manik and we are working, ensuring, and closely watching this situation to ensure that it should not stretch quite further.

Moderator: Thank you. The next question is from the line Avadhooot from Newberry Capital, please go ahead.

Avadhooot Joshi: Hi, good morning. Thanks for the opportunity. First question about Sri Lanka, how much is our exposure to Sri Lanka based on revenue and profitability?

Saurabh Lal: So Avadhooot out of the revenue that we accrue in our secure foreign subsidiary, which is Singapore based subsidiary, approximately 85% to 90% -- 85% of the revenue comes from our Sri Lanka business. And also on the profitability side, approximately around, I would say, 80% to 85% of the profitability also come from the Sri Lanka region.

Avadhooot Joshi: Value terms, how much it will be?

Saurabh Lal: So, value terms, approximately I would say INR 60 crore or INR 65 crore of revenue comes from Sri Lanka and on a profitability side around -- GTS, which is our foreign subsidiary, has generated a total EBITDA of around INR 20 crore to INR 25 crore -- INR 20 crore on Y-on-Y basis. Approximately INR 17 crore to INR 18 crore EBITDA come from that Sri Lanka business.

Avadhooot Joshi: Okay, understood, thank you. Second question about note six about the 10 lakh shares, which were ESOP which were allotted on 29th of March. I just want to know whether it has flown through P&L, because major part; 50% of the part will come into the year one, right? So whether that ESOP has flown through the P&L?

Saurabh Lal: Yes, this ESOP, which is mentioned into what company is running that, since as a process, this scheme was already approved by the board. So, we already have issued a ESOP way back in August 2021. So, all those ESOPs which has been issued to the employees or granted to the employees for next years, all those P&L with respect to fair value minus the book value of shares or grant -- Sorry, fair value minus the grant price of the share has already been routed through P&L. This is a procedural process where we have to seek the approval for SEBI to list those shares. So, the only reason right now is that these 10 lakh shares, which has been issued to the trust. So, that in case in future, any other, any employees who wants to exercise those shares can get transfer through trust, only because as for SEBI guidelines, all the listed entities, the share cannot go to the employee directly. It has to be rooted through trust first and then to be issued to the employees whenever they exercise those grants. So, it's only from the listing and the transfer perspective, rest all the shares which has been issued to the employees has moved through the P&L only.

Avadhooot Joshi: Okay, what will be the quantum that this year it has flown through the P&L, for ESOP?

Saurabh Lal: So approximately from a P&L perspective, the company has taken A P&L expense of INR 11.7 crore in ESOP, for the ESOP cost.

Avadhooot Joshi: For FY '22, right?

Saurabh Lal: Yes.

Avadhooot Joshi: And going further it'll decline further, right?

Saurabh Lal: Yes, so since we are following the weighted average, rate of accounting this, definitely it'll decline further in next year.

Avadhooot Joshi: What would be the quantum that it'll come down to? Any guess?

Saurabh Lal: So, we have distributed this ESOP into the expense of three years number. So, it is a three-year resting period. So, it will be a first year, it will be three by six, next year it will be two by six and third, it will be one by six. So, you can assume that almost 50% of the hit will come in one year.

Avadhooot Joshi: Okay. Understood. On subcontracting expenses, I think there has been -- so it is volatile, in last year it was down and next two quarters, it has gone up. Can you throw some light on it, how it worked and what would be the normalized subcontracting expenses going further?

Saurabh Lal: Correct. So, in fact, since we are discussing this specifically, because we just want to clarify, there is one error which has happened while printing this number. We'll take help of our investor relation officer also to correct this. So, if you see on FY '21, the number which shows INR 1,968 million, this number would have been INR 2,368 million, and the corresponding impact will be on the other expenses. So, on overall basis in FY '21 to FY '22, if you see the total number should have been INR 2,368 million, which moved to INR 2,638 million in a subcontracting expense.

So, in subcontracting expense, we have two, two part of cost which comes. One is the AGS third party payroll cost that goes into subcontracting. And then our subsidiary Securevalue payroll cost that goes into that. So, the increase from INR 236 crore to INR 263 crore is primarily driven by an increase in the revenue of Securevalue for which we have hired new resources on the off-roll payroll. So that is the amount which goes into the subcontracting cost. So on a steady state, which is right now for last four quarter, it will be in the range of INR 65 crore to INR 66 crore because if the impact, which you see on the financial, which we have published right now, the impact is showing in quarter four, which shows 229.50 if I add that INR 40 crore of pasting of the number, which got pasted in the last slide, not in the above slide. Oh, sorry, other expenses. It'll come in the range of INR 62 crore to INR 63 crore only.

Avadhooot Joshi: Okay. So, going further, you expect it into the range of INR 60 crore to INR 65 crore per quarter, right?

Saurabh Lal: INR 65 crore per quarter right now. But, but as we grow our business, so there will be certain percentage of ratio which will keep on growing and a percentage basis that, so like in Securevalue, if I keep on adding my business we'll have a -- yes.

Avadhooot Joshi: Understood as the number of ATM machines will grow, that revenue will increase in that proportion, right?

Saurabh Lal: Yes. So, you can take a percentage of that. The subcontracting will grow in a percentage of the revenue stream. On our percentage basis, it'll be stabilized. It'll be a stable number.

Avadhooot Joshi: And percentagewise how much it will be?

Saurabh Lal: So right now -- I'll get back to you with the exact number. I'll split into AGS and Securevalue and give it to you.

Avadhooot Joshi: Okay. Last about the finance cost going further it will come down as we have paid the -- so what will be the quantum of finance cost going further yearly?

Saurabh Lal: So, on a next year basis, as I said, we already repaid this INR 550 crore of NCDs, it has impact of around INR 104 crore in finance cost. So definitely that is going to get saved fully from the next day onward, starting with the quarter one itself. So that will be a substantial saving from that perspective. Otherwise on a company's borrowing base, I think we will tend to be not highly leveraged even this year also because company tend to generate a sizeable amount of either the cash EBITDA also or from the cash profit also, or from the FCF also. So, we'll not leverage ourselves. So I think the cost should be in the range of around, I would say INR 50 crore to INR 55 crore on annualized business for next year.

Avadhooot Joshi: Okay. I understand. Just the last question, about this OMC contracts, which we are having, this is just the basic question. Add those petrol pumps, the only way of payment would be either cash or the cards, which we are distributing, right?

Saurabh Lal: The machines that we are distributing, not the cards, the machines.

Avadhooot Joshi: Correct machines we are distributing.

Saurabh Lal: Yes.

Avadhooot Joshi: Is that the only way or whether customers can pay through the GPay or the Paytm scans?

Saurabh Lal: So, I'll just explain you, so whenever a consumer goes to the retail outlet, he has a couple of options. One, as you rightly said, they can make the payment through the cash also or they can use their debit card also, or credit card also. And they can use another form like you rightly said G Pay UPI and everything. So, all form of digital payments are enabled on our machines. So, a consumer can use this machine for G Pay payment also, or they can use these machines for UPI payments also. So, our machines are enabled to generate a dynamic QR or static QR code on that machine so that a person can scan and make the payment. And the machines are capable to take care of all debit card and credit card transactions. There is another form of payment that generally happen that program is called prepaid programs also. Like a lot of petrol companies have their own prepaid fleet programs also. So, our machines are right now enabled, and we are in discussion with various oil marketing companies to ensure those programs can also be enrolled in our POS machines so that we can do the complete one on settlement for all the sales that happens on their petrol pumps.

Avadhooot Joshi: Understood. So whatever way they pay it, except cash, it'll route through our machines only, right?

Saurabh Lal: From an income perspective, yes. But from a reconciliation perspective, even cash gets recorded in our machine, since our is the ITPS terminal. So even the cash transaction get routed through our terminal, but yes, we don't get paid for that transaction.

Moderator: Thank you. The next question is from the line of Kashyap Pujara from Broadview Research, please go ahead.

Kashyap Pujara: Hi Saurabh. Just wanted to ask you a question related to what are the one-offs in the current numbers. I just missed it. You did mention on foreign exchange as well. Can you just repeat actually how much was --?

Saurabh Lal: Sure, so Kashyap there are two forms of one-offs we have covered in our presentation also and our speech today is, one is definitely with respect to the impairment of certain receivables and some FLA adjustment we've done it for some specific receivables; that constitute approximately INR 24.7 crore or INR 247 million, that is one. Second, we have -- because of this Sri Lanka crisis, which everyone knows, with respect to the currency devaluation, we have recorded a Forex loss of approximately INR 49 million in our books; because of the devaluation in currency. Then there is a small amount of expense in the form of IPO, which company has incurred of INR 1.3 crore to us.

Then there is another I would say adjustment, not the one-off, which is the ESOP cost of approximately INR 11 crore which is again going to be higher if I compared it with last year, which was not there. So this is INR 11.3 crore one-off; other than that, other one-off, which we were discussing Kashyap is that, just to give you a broad perspective to the market and to analysts and to everyone is that, from a next year onward, the cost with respect to the NCD loan that has happened in our P&L this year, which consumed approximately INR 103 crore, that will not be there for next year. And similarly, certain prepayment charges with respect to that NCD loan that we have paid will not incur for the next year onwards. So, these are the four or five ahead, and to which we said there are certain non-recurring onetime expense, which we have taken to our P&L, and largely some of these non-recurring, expenses have hit us in Q4. So that is why the impact on the Q4 number is higher as compared to our nine months performance.

Kashyap Pujara: Sure. And did you mention that finance cost includes INR 114 crore of INR 115 crore towards NCD, which is non-recurring? What exactly? I mean could you, what is it, did I miss the amount or --?

Saurabh Lal: So, it's correct Kashyap. So if you remember that INR 114 crore, which -- sorry, INR 103 crore, it is NCD which company raised last year, to fund that private equity investment, CCPS transaction, now since the IPO has happened and that loan has been repaid. So this money is completely out from the company. So this year we have incurred this cost of INR 103 crore, but from next year onwards, there will be no such cost that will come to our financials from Q1FY '23 onwards.

Kashyap Pujara: Sure. And just in the -- how come -- how do I see, if you look at a cash flow statement, the redemption of NCD is showing at INR 55 crore and the impairment of trade receivable is showing at INR 11 crore to INR 12 crore. Whereas you mentioned that this is INR 104 crore and INR 25 crore. So, in terms of impact this year. So, I mean, why is it not showing fully in the cash flow statement? Am I missing something here?

Saurabh Lal: No Kashyap, it's showing it it's INR 5,500 million mentioned in cash flow, if you see our cash flow from the financing activity.

Kashyap Pujara: Correct.

Saurabh Lal: So, it is INR 550 crore of NCD which got repaid. So, it is presented in the financial receipts, cash flow on the financing activity to cover, proceeds from the issuance of NCD last year and redemption of NCD this year, which was INR 550 crore.

Kashyap Pujara: Correct. It's, yes, INR 550 crore, okay, sure. Okay. And, just a question on Securevalue could you just highlight what is the EBITDA in the current year margin, in terms of EBITDA margin, where we are on that front and what is the -- and what does it amount to in terms of say per ATM revenue and where do you see this going in the next couple of years, based on the tariff changes, et cetera, if you can just highlight that.

Saurabh Lal: Yes, Kashyap, so on a standalone performance basis, Securevalue has delivered a total turnover of INR 472 crore versus INR 406 crore last year on EBITDA perspective also Securevalue has delivered the performance of INR 72 crore of EBITDA versus INR 50.7 crore last year. So, on EBITDA margin basis, margin has increased to 15.2% from 12.5% basis. And as we move forward, I think as we know this market specifically cash flow business, there are only very few players who have been able to deliver with respect to the service level, with respect to various new guidelines, which has come from various regulatory bodies. I think Securevalue is very well positioned to ensure that we can deliver those compliances. We can deliver those services on all India basis to the consumer or to the customer, to the MSPs, to the banks in other forms. So, I think from that perspective, I think we see a very strong growth coming next for couple of year more also. And as we've seen the performance and operation leverage have started kicked into us, from 12.5% to 15.2%. And as we grow our route planning, as we increase more and more ATM to our roots, I think we have a still a very large market to capture. And we can very well reach to very good EBITDA margins, which I'm restricted to give you right number. But yes, we still believe that even though we have achieved a good growth of EBITDA by percent wise 25% growth in EBITDA margin itself, we still see there is a huge growth opportunity still pending to be delivered and to achieve.

Kashyap Pujara: No, that's helpful. What I just wanted to understand is what is the realization for ATM at the current point in time?

Saurabh Lal: So current point will be approximately on overall basis it will be around INR 7,700 per ATM, approximately.

Kashyap Pujara: 7,700 per ATMs per month, basically.

Saurabh Lal: Yes.

Kashyap Pujara: Sure. And where is the root compliance? I mean, how are we on the compliance front? Are we, have we kind of completed our compliances which are required?

Saurabh Lal: Yes. From an infrastructure perspective Kashyap, Securevalue happens to be the company which did this first in the market, first in the country also. So, from an infrastructure perspective, we have all the walls as per the RBI guidelines and other regulatory guidelines; from a process perspective also, we have all the inbuilt processes from a van infrastructure perspective we've already laid on all the new ends. Even though with respect to new requirements, which has come last year, I would say couple of years, then now the banks are insisting that we need to put the Cassette swaps and everything into this. So, all those Cassette swaps and everything we have to rebuild the infrastructure for Cassette swaps and everything. So, we are building our vans and everything to build those Cassette swaps infrastructure on the van side also. So, I think from a market perspective, we definitely are way ahead and ensuring that our compliances are there from day one with us.

Kashyap Pujara: Sure. Fair enough. And on the receivable side, in Securevalue, what would be the debtor days here? I mean we know as the overall level, but just at this segment level, what would it be?

Saurabh Lal: So from a Securevalue perspective, I think overall debtor days would be approximately around, I would say 110 to 130 days approximately.

Kashyap Pujara: Sure. Okay, great. Thank you. And wishing you better for the next few.

Moderator: Thank you. The next question is from the line of Ankit Agarwal from Arc Capital, please go ahead.

Ankit Agarwal: Yes. Thanks a lot. I have a question. Your press release mentions that the ATM outsourcing segment has got a boost with RBIs proposal to set up 75 digital bank units. So, could you throw some more light on this initiative and like how will it translate commercially for us?

Saurabh Lal: So just, just to confirm that -- sorry, not to confirm. So sorry, my bad. From a digital banking unit, as everyone knows that RBI and regulatory ministries also now pushing up more and more infrastructure to go cashless, cardless and other forms of electronic lobbies and everything. So definitely it is going to help us. Just to update that we have always been working with various bank, whether Axis Bank, ICICI Bank, or even couple of very large public sector bank in the market. We are always working on a concept; we are putting up a lot of digital branches or called e-lobbies branches over the counters.

So all those e-lobbies generally have, what does they work is that they work on a -- they can reduce the size of the physical branches, maybe be by one third, maybe by one half, maybe by one fourth, and ensure that these lobbies and these locations are completely filled with various electronic devices like ATM, CRM, cheque deposit kiosk, phone banking services, passbook printing and other stuff. And there are very few people in the branch who help people to navigate through these machines and make them understand the use of these machines. So that over a period of time, these branches can work independently without the support from various staffs and everything.

So with this concept of DBUs, which is again been pushed by the ministry and by the regulator and by the other parts, I think it is going to help us to build and put more and more these devices over this. And since as we also cover that RBI guideline says, we are free to adopt in-source and outsource model. So since banks have already outsourced all these ATM services, CRM services, cash related services, other services to player like us, these are the services also will get outsourced to player like us, and we'll have a larger share to contribute from the financial project perspective also, and to offer this services to the bank, either bank can choose different types of models by buying these stuff, pay per use, model, per month transaction and everything. So ultimately this will be going to add up the additional line of revenue to work in the form of deploying all these machines and to run those machines on various variable of fixed previous models, where banks are right now, already started discussing with us. Because since they have a target to complete these 75 DBU by 15th of August, so we're already getting lot of queries or inquiries from all the banks who have been selected by this committee where they have to put all this DBU unit effective and have to make it active by 15th of August.

Ravi Goyal: Yes. Saurabh, this is Ravi here. I'll just add, the private sector and the public sector banks, have been putting these electronic lobbies, like SBI had this InTouch and Bank of Baroda has big lobbies, electronic lobbies, but with this new initiatives, what we see is that the RBI has given a kind of a structure and started designating it as branches. And we see this going forward as a big change in the branch rollouts of all the private sector and public sector banks. What it means basically is that there would be very few people in the branches and with the clear-cut mandate from RBI, that there won't be any cash transactions would be done by the physical teller, it would be all done through electronically. What we see is that it would be all bunch of recycling machines, ATM machines and different types of kiosk to make the transactions electronically, 24x7 and maybe one or two tellers just to give or do a physical assist during the bank branch timings. And this would be the model, which would be the future of all the rollouts, in the country. And we see it as a big opportunity going forward.

Moderator: Thank you. The next question is from the line of Amit Chandra from HDFC Securities, please go ahead.

Amit Chandra: Yes. Hi sir, and thanks for the opportunity. So my question is on the, so we have so like CRMs was an opportunity where we are seeing growth. So how many CRMs we had in FY '22 and also in terms of unit economics, if you can explain how different it is from the ATM business, or are we like profitable on it or are we at breakeven on the CRM business?

Saurabh Lal: Sure Amit. So, on the CRM side, as you said, there is a lot of requests coming from the bank side also, various new tenders, which are coming in the market also have those clauses where banks wants to deploy more and more ATM. And what just Ravi also covered that with the new initiative, from the government of India with respect to DBU. So CRM is going to be, definitely is going to be one of the critical component of that DBU to become effective. Because these machines will enable the cash deposits and cash withdrawals at the same time.

Coming back to unit economics and everything Amit, there are still -- we are discussing with the bank. There are two or three types of models which we are working, right now, fairly with the banks. One, where these CRMs are being used by banks only as a deposit machine where these machines are not being utilized for withdrawal purpose. So, couple of private sector banks are still using these machines that are standalone machines for accepting the deposit from their owner's customer, means wherever these machines are installed, they are guiding their customers for coming to their branch to use these machines and take instant credit. There are one of the power sector banks who have gone ahead and even using these machines for recycling the cash where the machine is not only get utilized for depositing the cash, but also get utilized for withdrawal of the money. The same machine gets utilized.

So there, the relations is linked to the revenues which come from deposit also and for withdrawal. So that machine CRM, that is actual utilization of CRM, it's called cash recycling or currency recycling machines, our relation is purely linked to the transactions. Whereas other machines, as I said to you, various other private sector banks, are specifically using the machine only for deposit purpose. And it is very difficult for us right now to foresee or forecast that how much deposit rush will come on those machines and how much deposit penetration component we are working on a fixed fee model with those banks. So unit economics is different from both the angles where machine is getting used for a transaction withdrawal purpose.

So we get paid for per transaction withdrawal as similar to what we're getting for all the ATMs and over and above; additionally we get this deposit, extra revenue, again in the form of per transaction. But since these machines are right now only using the owners transaction means only the bank branch customer can deposit the money. The inter portability has not been activated by the various banks so that other bank customer can come and deposit the money.

So from a profitability perspective, both these models are profitable right now, as I said, one machine, which is performing both the functionalities of withdrawal and deposit is giving us the additional form of revenues of withdrawal and deposit. Definitely their profitability will be higher as compared to the machines that are right now using as a standalone machine where machines are only performing deposit functionality, but here we are not carrying any risk of transactions and we are entering into fixed fee contract with them. Amit we are happy to share, we can share one or other things, or what is the actual profitability both the models with you?

Amit Chandra: So how many CRMs we had at FY '22 end?

Saurabh Lal: So we have around 4,072 CRMs with us.

Amit Chandra: And in the last quarter number, you mentioned 4,022. So we have hardly seen any growth there, right in the CRM?

Saurabh Lal: Correct, in the last quarter definitely we only saw approximately only 50 number of CRMs, which were deployed. I would say it is largely because some of the CRMs, which we have deployed could not get active on 31st of March, we have a big number of CRMs in our portfolio, which were there in the – as of 31st March 2022, which we are confident that we'll get activated in the first quarter. But yes from an incremental perspective, live CRM perspective, we could only make 50 CRM live here.

Amit Chandra: Okay. And in terms of the transaction-based ATM we have, so what is the current run rate we are running in terms of number of transactions per day, and how that number has panned out in the last quarter?

Saurabh Lal: So again Amit on this part, since we have two, three major contract with the customer bank like SBI, bank like HDFC, bank like Axis and ICICI, so all these banks are working on a different – I would say PSU's bank specifically where we have a transaction fee based model they're more or less, I would say, have come to the pre COVID level or their transactions levels are more than, I would say, 110 to 120 transactions per day specifically.

Now coming to the other private sector banks, I think all these three banks are working with different, different mode of transactions. But I would say still, they have not reached to the pre COVID level of the transaction, but as we are reaching out this in Q1 of the FY '23 now. We are seeing the increase in transaction happening on month-on-month basis. But I think, but I would say by the end of this quarter, we believe that all this contract, all the private sector banks should also reach to the pre COVID level. I think that is what we are targeting. And that is what we're seeing internally also with the kind of data that is coming up with transaction increase, happening at the urban and rural area. So I think from the transaction perspective, I think this Q1 will help us to define that by end of the quarter, if all the transactions are back to the pre COVID level, I think the market still continues to believe that cash will continue and this ATM market and everything will help us to plan for the next quarter as well.

Amit Chandra: And any increase in realizations that we're expecting because of changing interoperability rate that was there. So any increase that we can see next year in terms of realizations per ATM?

Saurabh Lal: So, Amit, two or three things we are expecting specifically just for this year, which has already started shifting last year, so I think everyone knows that there is an increase in interchange, which happens, and we got increase in our revenues from one of the contract. The offers transaction rate was devise from INR 15 to INR 17 in non-cash transaction, from INR 5 to INR 6. A couple of other things which have already started shaping up in last year is revenue from the incremental services delivered because of the RBI and MHA compliances. So many of the banks have already initiated those revenue stream towards, but many of the banks are still waiting and giving us the go ahead in this year, that is one going to be incremental revenue.

Second the major increase will come from the deployment of the Cassette swaps which we're expecting, definitely have to go actually see the circular was very clear by RBI, which was expired, or I would say, was reached to the maturity on 31st March 2022. They gave one year extension to the banks to deploy this with the very strict conditions that every quarterly update has to be submitted through a board to the RBI. So banks are also monitoring it on a regular basis. So we believe that with this circular requirement and other things, services requirement, I think AGS and Securevalue tends to gain from this implementation. And we see a significant additional revenue coming up in FY '23, specifically on the front of deployment of ATMs with the Cassette swaps facility to be given to all the banks.

Amit Chandra: Okay, and sir in quarter four, we have seen sharp increase in the unallocable expenses, which is around INR 55 crore, right. And so can you please provide the breakup of this unallocable expenses? What exactly is -- so it is the corporate expense plus like what all components are there?

Saurabh Lal: So it is largely driven by Amit, so if you see on overall basis on a year-on-year basis, our unallocated expenses is in the range of around 11% to 12% if you see on overall basis. It is INR 146 crore or INR 1,460 million for last year, to INR 1,611 million, which is INR 161 crore. What we have seen is definitely increase in the quarter four of the year is that basically with respect to the various revenues, which I would say are only expense in the form of some other SGNA expenses which the company has incurred in this year, specifically in the heads of, I would say legal and professional charge and certain insurance charge everything, but on overall basis, I think the allocation remains overall stable with respect to 11% to 12%, but specifically on the Q4 basis, which we've seen the rise either from the increased from this you are saying INR 32 crore or INR 50 crore largely driven by certain expenses, which has been incurred by the company in the Q4 specifically for various services, which we avail, but happy to Amit, we can share you with the details that what has happened in the Q4.

Amit Chandra: Yes. And sir on the interest cost, so I you said INR 105 crore obviously will be saved, but out of the INR 250 crore of interest cost and if you can provide what was the breakup on interest on borrowings and interest on lease liabilities and how the interest on borrowings will be there for the next year, because know, because we have been seeing increase in the debt levels for the company. So if you can provide clarity on how the interest costs will be there for the next year.

Saurabh Lal: Yes. So Amit I the interest part, there are three companies, because one is definitely out of this INR 250 crore, INR 104 crore is specifically linked to the NCDs, which we are, which definitely will not be there for the next year. After that there is another cost of interest on lease liability, which is approximately around INR 40 crore approximately. Sorry, my bad, on a consol base, it'll be around INR 45 crore to INR 50 crore approximately on the consol basis. Interest cost on lease liability. Rest of the cost will be of the total base of the interest of the actual borrowing cost. But we believe that for next year on onwards, but we believe that total borrowing of the company will be in the range of around on a net basis. It'll be around INR 600 crore to INR 650 crore. So the borrowing cost should be in the range of around INR 55 crore to INR 65 crore for full year basis.

Amit Chandra: So these INR 100 crore, the interest on borrowings. So like what was the like-to-like number last year? So it was around INR 75 crore to INR 80 crore. So the debt of INR 100 crore or INR 200 crore.

Saurabh Lal: Which one you're referring?

Amit Chandra: Interest on borrowings. So --

Saurabh Lal: Yes, interest on borrowing last year was INR 133 crore, out of that INR 133 crore, if you take around INR 45 crore to INR 47 crore interest on lease liability, the average interest was around INR 80 crore or INR 85 crore.

Amit Chandra: INR 80 crore has gone up to INR 100 crore in this year, right? And we expect this to be at these levels only INR 100 crore to INR 105 crore, right?

Saurabh Lal: No, we expect this to go. So let me just break it. INR 250 crore has two components, one is INR 105 crore and there's a INR 7.5 crore, one time prepayment fees, another NCD closure charges that we are paid. Then we have around INR 45 crore of lease liability that we have around 255 minus 105 minus 45 minus 25, so approximately INR 92 crore Amit which is left, which is of INR 90 crore, which was similar to last year only INR 85 crore to INR 90 crore. But this year we will definitely expect this to come down because of the either because of the I would say since the leverage of the company has come down, we probably may able to negotiate good rates with the banks also. Our rating has also been upgraded. We have been upgraded from A plus stable to A plus positive outlook. So, our rating review is definitely due in next couple of quarter, which if it goes so we may get further upgrade in the rating also, I'm sure we'll be able to save on certain cost of the borrowing, but having said that because of the other pressure from the market inflation and everything, we may have, have to subtract that in reduction because of the market forces increasing the cost of borrowing for everyone.

Amit Chandra: Okay and sir one last question for my side. So, on the CAPEX, how you are seeing the CAPEX for the next year, and maybe if you can break up the CAPEX between ATM business and the cash management business and this digital business and also on how we see the tax rate for the next year?

Saurabh Lal: Sure. So Amit, on the CAPEX side as you know, the kind of business that we have, first factor which is definitely certain for us, and we need to ensure that will get close this year is on the CAPEX on the POS machine, that we need to deploy for our OMC contract to get delivered fully. So that CAPEX is definitely 100% needs to be delivered. The second CAPEX, which either we do it for the ATM outsourcing or for the vehicles that we buy for our business that is purely linked to the business. If we see there is a visibility of business coming from the market, if you see there is a visibility of new deployment, that is helpful to help us to build the new transaction increase revenue and increase profitability. So we will definitely insert, but on overall basis, as a company, we plan to have a total CAPEX of around INR 125 crore to INR 175 crore in between, anywhere in this, between covering between three major CAPEX, ATM CAPEX, vehicle CAPEX for Securevalue and the POS CAPEX for ITSL.

Amit Chandra: Okay. And on the tax rate for the full year sir, how --?

Saurabh Lal: So tax, both the companies, AGS Transact Technology and Securevalue is already working under the new regimes. So our maximum tax rate will be 25% or some percentage can go to the DTA. So current tax can be higher, but the overall tax expense should be in the range of 25% to 26%. Securevalue has also moved to the new tax regime. So tax rate should be similar in, ITSL our subsidiaries since it has still have certain brought forward losses and carry forward losses and depreciation. So we'll still continue to use the old regime so that the moment we get into the green zone, we'll able to utilize those brought forward losses and depreciations.

Moderator: Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital, please go ahead.

Deepak Poddar: Yes, thank you very much sir, for the opportunity. So first I just wanted to touch upon the interest that we were discussing in, with the last participant. Now out of INR 250 crore, INR 103 crore NCD expense will go away, so INR 150 crore plus INR 40 crore to INR 50 crore, lease liability, so that's about INR 200 crore and maybe INR 30 crore to INR 35 crore of savings on cost of borrowing; so that comes to about INR 160 crore or INR 170 crore as the interest cost, in that range one may look at this year, right?

Saurabh Lal: So I would say, as I said to Amit also is that out of INR 250 crore of borrowing INR 105 crore is a one-time interest cost borrowing, that will go out fully, then there's another cost of around INR 7.5 crore which is again a onetime cost of the payment and prepayment charges of loans that we have repaid, will go out; so automatically these INR 112 crore will go out, so if I remove INR 250 crore minus INR 112 crore, so we are left with INR 138 crore of borrowings, approximately. So with the similar level of borrowing that we had last year and will targeting to continue the similar level of borrowing as we generate more and more internal cash flows, I think the borrowing should be in the similar range of around INR 130 crore, including lease liabilities, if you want to take it like this.

Deepak Poddar: Okay. Understood. And secondly this INR 20 crore impairment loss charges that you mentioned the breakup of those non-recurring expenses.

Saurabh Lal: Yes, please go ahead.

Deepak Poddar: Can you kind of give more details on it? So what sort of impairment loss you're talking about here and what's the probability that it'll not reoccur going forward?

Saurabh Lal: So Deepak there are two breakups into this, one is the impairment loss. And I think in the commentary, we have mentioned that it is a FLA also. So there are two specific customers. One is a very big retail customer in the market where we had certain exposures, but because of the recent development in last one and half months, we have taken a 100% provision on debt receivable that is due to us. So we discuss with our board of member also, then we discussed with the other independent sources also. And I think the advice that came to us is that, since the outcome of that I would say difference of opinion, which has happened in the market and the probability of recovering that money looks like uncertain. So we have provided a 100% provision for this.

So that is for sure that not going to come again, because we've already provided 100% of the provision for that amount due from one of the very big retail company in the market. Second provision has come from again, a very big PSUs of the market. There is reconciliation which were going on with the PSUs for a long time. There are a lot of conversations happening, not only with, as digital as a customer, but this was an industry as a whole, which has been discussing this with various that bank specifically. And there an association specifically working to ensure that money should get recovered at the earliest. The amount of money is quite significant, if I put all the parties put together, but if this money was not able to move in for last two to four years, so we have taken a onetime FLA provision right now with us, very hopeful that we should able to recover this money back.

And as soon as we see that this money has come back to us, we may able to reverse this in future also, but from a timing perspective, with again, the discussion with the board and our management discussions, our discussion with the auditor, I think it was advised to us that we should take some provision over it, in the form of either expected credit loss method or some time value of money. So that is why we provided this.

Deepak Poddar: Okay. Understood. And on the revenue front as well. Now I think in the last con call we were discussing, or we were targeting INR 2,000 crore plus kind of revenue in FY '22. So what has changed since mid Feb that we could not deliver on that? Yes.

Saurabh Lal: So there are a couple of things. I think if I split my revenue into various terms. So we had two or three businesses, which was definitely help us to build this INR 2,000 crore of revenue. Specifically, if you see from a banking automation solution business, which has thou shown a significant growth as compared to last year, we delivered around INR 159 crore of revenue last year and it's moved to INR 195 crore of revenue. And specifically, if I distribute further into service and product, the service has already delivered hundred INR 163 crore, versus INR 164 crore last year. So we had a very, very strong order book of banking automation service with us, which was very much visible for us that we can deploy. And so though we missed it to deliver it in the last year, but we are confident and we can deliver. So that delta was approximately INR 70 crore to INR 80 crore which we were targeting to deliver it by March '22. But because of various milestone data are attached to those revenues, since that those could not be closed.

So we were not able to realize those revenue one, similarly in another automation solution also if you see, we have delivered a very, very strong performance in Q3, or I would say nine month number with respect to various one of the couple of verticals that was there again, since we had a order book with us, but somehow the subsequent order didn't came on a specific date and everything. So we have to spill over that quarter to the next year. And we again had a INR 50 crore to INR 60 crore of writing off that revenue. The third one is that as we discussed two or three things, which has a couple effect like this impairment of FLA of around INR 14 crore have gone to my revenue reduction because that get reduced from the revenue. Our subsidiary, currency loss of subsidiary has also resulted into reduction revenue. Because what has happened is that whatever revenue Sri Lanka has generated in last one year when I do a closing of that revenue.

So I have to revalue that number as per the current currency rate. So though the Forex loss of that -- Forex loss of my investments, or my loan from a subsidy to that foreign company, is INR 6 crore the loss of revenue while converting, that's not a loss of revenue, but like when I'm converting the Sri Lanka currency into INR the revenue get impacted by approximately INR 10 crore to INR 12 crore. Similarly, there are certain other various transactions. We were targeting that we should get a higher transaction in Q4, but that has not come so on overall basis that has actually resulted into around a delta around INR 150 crore to 175 crore.

Deepak Poddar: Okay. Understood about this. So how do we see the revenue growth this year? FY '23?

Saurabh Lal: So we were working on building up that model. I think internally we are already ready already teams are already working on the plan allow us another quarter to come back with the final guidance for FY '23, but from, from the order book perspective from the various revenue streams as we discuss on the cassette swap MSA pricing and everything, Order book for banking automation solutions, order book for other automations solutions. So we believed and Securevalue dominance in the market from the cash wise I think our target for next year is very, very strong, but allow us another quarter to come back with the device guidance for FY '23.

Moderator: Thank you. That was the last question. I now hand the conference over to the management for the appropriate comments.

Ravi Goyal: Thank you everyone for joining us today on the earnings call, we appreciate your interest in AGS. If you have any further queries, please contact SGA, our investor relations advisor. Thank you so much.

Moderator: Thank you, ladies, and gentlemen, on behalf of AGS, Transact Technologies Limited that concludes this conference call for today. Thank you for joining us. And you may now disconnect your lines.