

RAMCO SYSTEMS LIMITED

ACCOUNTS OF SUBSIDIARIES FOR 2009-10

**(Furnished as required by the letter No. F.No. 47/322/2010-CL-III
dated 15th April, 2010 under Section 212(8),
of Ministry of Corporate Affairs, Government of India)**

RAMCO SYSTEMS CORPORATION, USA

BALANCE SHEET AS AT

	March 31, 2010 Consolidated	March 31, 2009 Consolidated	March 31, 2008 Consolidated
Assets			
Current assets:			
Cash and cash equivalents	\$ 233,461	\$ 334,476	\$ 1,305,764
Accounts receivable, net of allowances	2,851,394	2,671,330	5,898,623
Due from officers and employees	3,027	9,561	70,832
Due from Related parties	2,335,001	1,788,892	-
Other current assets	113,172	197,750	267,502
Total current assets	5,536,054	5,002,008	7,542,721
Other Assets	22,598	22,598	31,654
Fixed Assets - Net	284,447	351,909	311,755
Total	\$ 5,843,099	\$ 5,376,516	\$ 7,886,130
Liabilities and Stockholders' Equity (Deficit)			
Current liabilities:			
Accounts payable	114,202	316,754	731,714
Accrued expenses	1,128,257	1,307,585	2,309,407
Deferred revenue	1,328,661	1,501,856	1,861,175
Due to Affiliates	194,385	291,049	278,464
Due to related parties (net)	-	-	1,373,794
Notes Payable - related party, due on demand	-	-	125,000
Total current liabilities	2,765,505	3,417,244	6,761,554
Non-current liabilities			
Deferred revenue - long term		-	-
Total liabilities	2,765,505	3,417,244	6,761,554
Stockholders' equity(Deficit)			
Common stock - no par value; shares authorized 200,000,000; shares issued and outstanding; 2008, 197,564,550; 2007, 197,564,550	2,871,325	2,871,325	2,871,325
Accumulated deficit		-	-
Retained earnings after reorganization: elimination of accumulated deficit of \$ 16,790,130 effective March 31, 2005 pursuant to quasi-reorganization	206,269	(900,306)	(1,737,050)
Accumulated comprehensive income		(11,747)	(9,699)
Total stockholders' equity (Deficit)	3,077,874	1,959,271	1,124,576
Total	\$ 5,843,099	\$ 5,376,516	\$ 7,886,130

RAMCO SYSTEMS CORPORATION, USA

STATEMENT OF OPERATIONS

For the year ended March 31

	2010 CONSOLIDATED (Post Quasi- Reorganization dated on March 31, 2005)	2009 CONSOLIDATED (Post Quasi- Reorganization dated on March 31, 2005)	2008 CONSOLIDATED (Post Quasi- Reorganization dated on March 31, 2005)
Revenues			
License	\$ 527,001	\$ 376,313	\$ 3,724,268
Service and maintenance	7,451,605	8,987,775	9,995,416
Consulting Services	735,148	1,767,933	396,590
CRM	1,602,025	2,371,494	4,864,691
Others	389,237	555,417	654,636
Total Revenues	10,705,016	14,058,933	19,635,601
Cost of Revenues			
License	158,100	112,894	1,117,280
Service and maintenance	3,327,653	3,109,140	6,860,079
Consulting Services	879,519	1,165,524	282,439
CRM	1,360,698	1,961,410	4,249,606
Others	402,198	560,905	557,578
Total Cost of Revenues	6,128,169	6,909,873	13,066,982
Gross profit	4,576,847	7,149,059	6,568,618
Operating expenses:			
Selling, general and administrative expenses	3,076,243	5,614,287	8,762,551
Depreciation and amortisation	144,620	160,568	128,152
Bad debt expense - Accounts receivables	238,462	533,202	191,080
Total operating expenses	3,459,325	6,308,057	9,081,782
Operating Profit / (Loss)	1,117,522	841,002	(2,513,165)
Interest income / (Expense)	(4,010)	(17,409)	27,777
Other Income / (Expense), Net	26,636	19,361	21,125
Profit / (Loss) before income taxes	1,140,148	842,953	(2,464,263)
Income taxes	21,825	6,210	21,852
Net Profit / (Loss)	\$ 1,118,323	\$ 836,743	\$ (2,486,115)

BALANCE SHEET AS AT

ASSETS	31.03.2010	31.03.2009
	CHF	CHF
<u>Current assets</u>		
Cash and cash equivalents	29'469	117'341
Accounts receivable	998'510	947'160
Allowance for bad debts	-25'000	-25'000
Accounts receivable - shareholder/intercompany	1'217'066	3'766'231
Accounts receivable - other	84'082	168'689
Prepaid expenses and accrued income	92'474	79'768
Loans to employees	0	683
Total current assets	2'396'599	5'054'873
<u>Fixed assets and intangibles</u>		
Fixed assets	11'899	18'181
Total fixed assets and intangibles	11'899	18'181
TOTAL ASSETS	2'408'498	5'073'053
LIABILITIES AND SHAREHOLDERS' EQUITY		
<u>Liabilities</u>		
Accounts payable	24'808	125'161
Accounts payable - shareholder/intercompany	199'334	2'128'892
Accounts payable - other	29'647	28'004
Accrued liabilities	421'160	414'031
Total liabilities	674'950	2'696'088
<u>Shareholders' equity</u>		
Share capital	1'400'000	1'400'000
Capital reserves	1'493'043	1'493'043
Loss brought forward	-516'077	-206'375
Loss/Profit	-643'417	-309'702
Total shareholder's equity	1'733'549	2'376'966
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2'408'498	5'073'053

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

	31 March 2010		31 March 2009	
	CHF		CHF	
	<hr/>		<hr/>	
INCOME				
Sales, services and licences	2'137'696	98.4%	3'566'322	98.4%
Other income	35'730	1.6%	57'768	1.6%
Total income	2'173'426	100.0%	3'624'090	100.0%
COSTS				
Costs of goods sold	820'000	37.7%	881'192	24.3%
Royalties for licenses	54'596	2.5%	401'914	11.1%
Bad debt reserve	0	0.0%	0	0.0%
Salaries and related costs	931'382	42.9%	1'604'029	44.3%
Administrative costs	120'793	5.6%	197'294	5.4%
Selling and advertising expenses	434'164	20.0%	560'007	15.5%
Rent, leasing and office maintenance	194'576	9.0%	167'346	4.6%
Maintenance and repairs	52,039	2.4%	58'746	1.6%
Insurance and fees	33'111	1.5%	-1'807	0.0%
Depreciation and amortization	6'282	0.3%	15'746	0.4%
Other financial charges	10'436	0.5%	5'076	0.1%
Exchange rates losses	159'464	7.3%	44'249	1.2%
Total income	2'816'844	129.6%	3'933'793	108.5%
	<hr/>		<hr/>	
Operational result	-643'417	-29.6%	-309'702	-8.5%
	<hr/>		<hr/>	
Extraordinary expenses	0	0.0%	0	0.0%
Extraordinary income	0	0.0%	0	0.0%
	<hr/>		<hr/>	
Operational result	-643'417	-29.6%	-309'702	-8.55%
	<hr/> <hr/>		<hr/> <hr/>	

Ramco systems Sdn. Bhd., Malaysia

BALANCE SHEET AS AT 31 MARCH,

	2010 RM'000	2009 RM'000
Equipment	29	31
Current assets		
Trade and other receivables	1,785	1,553
Cash and cash equivalents	577	823
	2,362	2,376
Current liabilities		
Trade and other payables	(665)	(813)
Net current assets	1,697	1,563
	1,726	1,594
Financed by:		
Capital and reserves		
Share capital	1,280	1,280
Retained earnings	446	314
Shareholders' funds	1,726	1,594

Ramco systems Sdn. Bhd., Malaysia

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH,

	2010 RM'000	2009 RM'000
Revenue	2,704	2,885
Cost of services rendered	(2,009)	(2,276)
	<hr/>	<hr/>
Gross profit	695	609
Other income	1	9
Administrative expenses	(564)	(685)
	<hr/>	<hr/>
Profit / (Loss) before tax	132	(67)
Tax expense	-	-
	<hr/>	<hr/>
Net profit / (loss) for the year	<u>132</u>	<u>(67)</u>

RAMCO SYSTEMS PTE. LTD., Singapore

BALANCE SHEET AS AT 31 MARCH,

	2010 S\$	2009 S\$
ASSETS LESS LIABILITIES		
Non-Current Assets		
Plant and equipment	45,376	80,198
Current Assets		
Trade and other receivables	661,001	1,395,336
Cash and cash equivalents	110,770	135,705
	<u>771,771</u>	<u>1,531,041</u>
Current Liabilities		
Trade and other payables	651,322	1,906,357
Provision for taxation	6,283	15,827
	<u>657,605</u>	<u>1,922,184</u>
Net Current Assets/(Liabilities)	<u>114,166</u>	<u>(391,143)</u>
Net Assets/(Liabilities)	<u>159,542</u>	<u>(310,945)</u>
Capital and Reserves Attributable to Equity Holders of the Company		
Share capital	725,000	725,000
Accumulated losses	(565,458)	(1,035,945)
Total Equity	<u>159,542</u>	<u>(310,945)</u>

RAMCO SYSTEMS PTE. LTD., Singapore**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH,**

	2010	2009
	S\$	S\$
Continuing operations		
Revenue	3,594,727	4,195,523
Cost of sales	(1,155,597)	(1,698,444)
Gross Profit	<u>2,439,130</u>	<u>2,497,079</u>
Other income	33,935	9,000
Other operating expenses	(37,384)	(23,216)
Administration expenses	(1,913,541)	(2,260,995)
	<u>(1,916,990)</u>	<u>(2,275,211)</u>
Profit before taxation	522,140	221,868
Taxation	(51,653)	(40,771)
Profit from continuing operations	<u>470,487</u>	<u>181,097</u>
Profit for the year	<u>470,487</u>	<u>181,097</u>
Total comprehensive income	<u>470,487</u>	<u>181,097</u>
Profit attributable to:		
Equity holders of the company	<u>470,487</u>	<u>181,097</u>
Total comprehensive income attributable to:		
Equity holders of the company	<u>470,487</u>	<u>181,097</u>

RSL Enterprise Solutions (Pty) Ltd., South Africa

BALANCE SHEET AS AT 31 MARCH,

	2010 R	2009 R
ASSETS		
Non-current assets	366 711	428 204
Property, plant and equipment	109 820	157 101
Deferred tax	256 291	270 503
Investment	600	600
Current assets	21 483 957	15 061 978
Trade and other receivables	21 216 044	13 437 543
Cash and cash equivalents	267 913	973 867
Income tax receivable	-	650 568
Total assets	21 850 668	15 490 182
EQUITY AND LIABILITIES		
Capital and reserves	4 391 527	5 973 820
Share capital	100	100
Retained earnings	4 391 427	5 973 720
Current liabilities	17 459 141	9 516 362
Trade and other payables	17 356 381	9 516 362
Income tax payables	102 761	-
Total equity and liabilities	21 850 668	15 490 182

RSL Enterprise Solutions (Pty) Ltd., South Africa

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH,

	2010 R	2009 R
Revenue	18 633 996	49 429 887
Cost of sales	(4 743 532)	(18 448 059)
Gross profit	13 890 464	30 981 828
Other income	-	84 000
Operating expenses	(15 407 263)	(28 947 899)
Profit / (loss) from operations	(1 516 799)	2 117 929
Net finance income	(51 282)	142 490
Finance income	23 263	142 490
Finance cost	(74 545)	-
Profit / (loss) before tax	(1 568 081)	2 260 419
Taxation	(14 212)	(184 735)
Net profit / (loss) for the year	(1 582 293)	2 075 684