

RAMCO SYSTEMS CANADA INC.
(A wholly-owned Subsidiary of Ramco Systems Corporation, USA)

**Standalone Financial Statements for the Years ended
March 31, 2022 and 2021 and Independent Auditors' Report**

INDEX TO FINANCIAL STATEMENTS

Contents	Page
Independent Auditors' Report	2-3
Financial Statements:	
Balance Sheet	4
Statement of Operations	5
Statement of Stockholder's Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 – 30



25th Floor, 666 Burrard Street,
Vancouver BC V6C 2X8
Canada

www.ramco.com

www.ramcoaviation.com



CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Agastyar Manor, No.20, Raja Street
T. Nagar, Chennai - 600 017.

Tel : +91-44-2431 1480 / 81 / 82 / 83 / 84

Fax : +91-44-2431 1485

Web : www.cngsn.com ; Email : info@cngsn.com

Dr. C.N. GANGADARAN
B.Com., FCA, MBIM (Lond.), Ph.d.

S. NEELAKANTAN
B.Com., FCA

R. THIRUMALMARUGAN
M.Com., FCA

B. RAMAKRISHNAN
B.Com., Grad. CWA, FCA

V. VIVEK ANAND
B.Com., FCA

CHINNASAMY GANESAN
B.Com., FCA, DISA (ICAI)

D. KALAIALAGAN
B.Com., FCA, DISA (ICAI)

K. PARTHASARATHY
B.Com., FCA

NYAPATHY SRILATHA
M.Com., FCA, PGDFM

E.K. SRIVATSAN
B.Com., ACA

Independent Auditors' Report

To the Board of Directors and Shareholders of Ramco Systems Canada Inc.

Report on the Financial Statements

We have audited the accompanying balance sheets of Ramco Systems Canada Inc. (the "Company") as of March 31, 2022, 2021 and 2020 and the related statements of operations and stockholders' equity, and cash flows for each of the two years in the period ended March 31, 2022 and March 31, 2021 respectively. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with International Auditing Standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company at March 31, 2022, 2021 and 2020, the results of its operations and cash flows for the each of the two years ended March 31, 2022 and March 31, 2021 respectively in conformity with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 12 of the Statement which describes the impact of Covid-19 pandemic, and its possible consequential implications, on the Company's operations. Our opinion is not modified in respect of this matter.

UDIN: 22011205AJCEVQ6435

May 11, 2022

Chennai

Yours faithfully,
For CNGSN ASSOCIATES LLP.
Chartered Accountants
(Firm Registration No. 04915S)


C.N. GANGADARAN

Partner
M. No. 11205



RAMCO SYSTEMS CANADA INC.
(A wholly owned subsidiary of Ramco Systems Corporation, USA)

Amounts in CAD

Balance sheets

	March 31, 2022	March 31, 2021	March 31, 2020
Assets			
Non-current assets:			
Property, plant and equipment	\$ 4,375	2,864	-
Trade receivables	139,483	160,220	-
Total non-current assets	143,858	163,084	-
Current assets:			
Cash and cash equivalents	\$ 52,325	\$ 213,993	\$ 132,271
Trade receivables	396,634	209,331	361,647
Due from employees	250	-	-
Due from related parties	933,278	618,424	338,625
Other current assets	1,887	7,757	-
Total current assets	1,384,375	1,049,505	832,543
Total Assets	\$ 1,528,232	\$ 1,212,588	\$ 832,543
Stockholder's Equity and Liabilities			
Stockholder's Equity			
Common stock	\$ 10,000	\$ 10,000	\$ 10,000
Retained earnings	1,007,627	752,947	483,741
Total Stockholder's Equity	\$ 1,017,627	\$ 762,947	\$ 493,741
Non-current liabilities			
Accrued expenses - non current	\$ 82,071	\$ 66,296	\$ 31,104
Total non-current liabilities	\$ 82,071	\$ 66,296	\$ 31,104
Current liabilities			
Trade payable	\$ 34,541	\$ 31,318	\$ 36,416
Accrued expenses	260,531	186,995	76,624
Deferred revenue	78,376	132,815	125,181
Due to related parties	55,087	32,218	69,477
Total current liabilities	\$ 428,535	\$ 383,345	\$ 307,698
Total Liabilities	\$ 510,606	\$ 449,641	\$ 338,802
Total Stockholder's Equity and Liabilities	\$ 1,528,232	\$ 1,212,588	\$ 832,543

The Notes to financial statements are an integral part of these statements

UDIN: 22011205AJCEVQ6435
May 11, 2022
Chennai

Yours faithfully,
For CNGSN ASSOCIATES LLP.
Chartered Accountants
(Firm Registration No. 04915S)


N. GANGADARAN

Partner
M. No. 11205



RAMCO SYSTEMS CANADA INC.

(A wholly owned subsidiary of Ramco Systems Corporation, USA)

Statement of Operations	Amounts in CAD	
	For the years ended March 31	
	2022	2021
Income		
Revenue from operations	\$ 1,019,351	\$ 690,854
Finance income	7,970	5,597
Total Income	\$1,027,320	\$ 696,452
Expenses		
Purchase of stock-in-trade	\$ 214,481	\$ 129,970
Employee benefits	344,579	85,290
Depreciation expense	636	61
Other expenses	118,445	109,812
Total Expenses	\$ 678,141	\$ 325,133
Profit before tax	\$ 349,180	\$ 371,319
Income tax expense		
Current tax	\$ 94,500	\$ 102,113
Total income tax	\$ 94,500	\$ 102,113
Profit for the year	\$ 254,680	\$ 269,206

The Notes to financial statements are an integral part of these statements

UDIN: 22011205AJCEVQ6435

May 11, 2022

Chennai

Yours faithfully,
For CNGSN ASSOCIATES LLP.
Chartered Accountants
(Firm Registration No. 04915S)


N. GANGADARAN

Partner

M. No. 11205



RAMCO SYSTEMS CANADA INC.

(A wholly owned subsidiary of Ramco Systems Corporation, USA)

Amounts in CAD

Statement of stockholder's equity

	Common Stock		Retained Earnings	Total Stockholder's equity
	Shares	Amount		
At March 31, 2020	10,000	\$ 10,000	\$ 483,741	\$ 493,741
Net income for the year 2020 - 2021			269,206	269,206
At March 31, 2020	10,000	10,000	752,947	762,947
Net income for the year 2021 - 2022			254,680	254,680
At March 31, 2022	10,000	\$ 10,000	\$ 1,007,627	\$ 1,017,627

The Notes to financial statements are an integral part of these statements



RAMCO SYSTEMS CANADA INC.

(A wholly owned subsidiary of Ramco Systems Corporation, USA)

Amounts in CAD

Statements of cash flows

For the year ended March 31,

	2022	2021
Cash flows from operating activities:		
Net Income	\$ 254,680	\$ 269,206
Adjustments to reconcile net loss / profit to net cash used in operating activities:		
Bad debt expense- Trade receivable & unbilled revenues	17,742	9,476
Depreciation and amortization	636	61
Changes in assets and liabilities:		
Trade receivable & unbilled revenues	\$ (184,308)	\$ (17,380)
Due from officers and employees	\$ (250)	\$ -
Due from related parties	(314,854)	(279,798)
Other current assets	5,870	(7,757)
Trade payable	3,223	(5,098)
Accrued expenses	89,311	145,563
Deferred revenue	(54,439)	7,634
Due to related parties	22,870	(37,259)
Other current liabilities	-	-
Net cash provided by operating activities	\$ (159,521)	\$ 84,647
Cash flows from investing activities:		
Purchase of plant and equipment	(2,147)	(2,925)
Net cash (used in) Investing activities	\$ (2,147)	\$ (2,925)
Cash flows from financing activities:		
Net cash (used in) financing activities	\$ -	\$ -
Net increase / decrease in cash and cash equivalents	\$ (161,668)	\$ 81,722
Cash and cash equivalents at the beginning of the year	213,993	132,271
Cash and cash equivalents at the end of the year	\$ 52,325	\$ 213,993

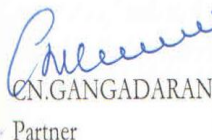
The Notes to financial statements are an integral part of these statements

UDIN: 22011205AJCEVQ6435

May 11, 2022

Chennai

Yours faithfully,
For CNGSN ASSOCIATES LLP.
Chartered Accountants
(Firm Registration No. 04915S)


M. GANGADARAN
Partner

M. No. 11205



NOTES TO THE FINANCIAL STATEMENTS

1. Overview

Ramco Systems Canada Inc. (“RSCI” or “the Company”) was incorporated on September 30, 2010 under the laws of the Province of Ontario in Canada. The Company shifted its registered office from Ontario to British Columbia, in Canada on January 22, 2015. The Company is wholly owned subsidiary of Ramco Systems Corporation (“RSC, USA” or “Parent”), a company incorporated under the laws of the State of California, USA

Ramco Systems Limited, India (the “ Ultimate Parent”) company develops Enterprise Resource Planning (ERP) Software solutions for various verticals in various domains like, Core ERP, Human Resource & Payroll, Aviation Maintenance Repair & Overhaul, Logistics, Service Resource Planning and provides these with related solutions and services, including managed services. The Software is either delivered on-premise or hosted on cloud. The Company markets the products developed by its Parent and provides its related consulting services and maintenance to customers located in Canada. The Company currently operates in single segment – Software solutions & Services

The Company’s fiscal year is from April 1 to March 31, in line with Parent’s accounting period. Accordingly, the Company applies accounting standards effective this period.

2. Basis of presentation of financial statements

Adoption of International Financial Reporting Standards (“IFRS”):

As of April 1, 2019, the Company has adopted the IFRS and accordingly the previous financial statements for the period ended March 31, 2019 have been restated/reclassified to IFRS where ever applicable as per IAS 1 and the retrospective restatement has had no effect on the comparative statement of financial position. Previously, the Company has reported its financial statements under US Generally accepted accounting principles. The adoption of IFRS was done voluntarily to facilitate the consolidation of financials by the Parent.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The accounting policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are presented in Canadian Dollars or CADs. These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs). The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Company accounting policies.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.1 The financial statements have been prepared on the historical cost convention on accrual basis except certain financial instruments that are measured at fair values.



2.2 An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

2.3 A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.4 Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Foreign currencies

The Company's financial statements are presented in CADs, which is also the functional currency. The Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded at the spot rate on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).



As per IAS 21, The Effects of Changes in Foreign Exchange Rates, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

3. Significant accounting policies

a. Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

b. Revenue recognition

The Company derives revenues from Software Solutions & Services. Revenues are derived from the following streams:

- (1) Revenue from Software Products, in the form of (a) Software Licensing (b) Subscription for Software as a Service (c) Product Support Services and (d) Application Maintenance Services;
- (2) Revenue from Software Services, in the form of Implementation/ Professional Services
- (3) Revenue from Resale of Hardware & Software.

Effective April 1, 2018, the Company adopted IFRS 15 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.



Revenue is measured based on the transaction price, which is the consideration, adjusted for finance components and volume discounts, service level credits, performance bonus, price concessions and incentives, if any, as specified in the contract with the customers.

Revenue is recognized in the profit and loss account upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services or products and excluding taxes or duties. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the contract value to separately identifiable performance obligations based on their relative stand-alone selling price (mostly as reflected in the contracts) or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Company is unable to determine the stand-alone selling price, the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues depends on the nature of the products sold / services rendered:

(1) Revenue from Software Products

(a) Software Licensing

Software licensing revenues represent all fees earned from granting customers licenses to use the Company's software, through initial licensing and or through the purchase of additional modules or user rights. For software license arrangements that do not require significant modification or customization of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

(b) Subscription for Software as a Service

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

(c) Product Support Services

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.



(d) Application Maintenance Services

Fees for the application maintenance services, covering inter alia the support of the customized software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

(2) Revenue from Software Services

(a) Implementation / Professional Services

Software Implementation / Professional Services contracts are either fixed price or time and material based.

Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognized using the “percentage of completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Where the Software is required to be substantially customized as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognized using the percentage of completion method as the implementation services are performed.

Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship. However, considering the existence of partners being available for rendering such implementation services, these services are considered to be a separate element and recognized in accordance with percentage of completion method.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision.

In the case of time and material contracts, revenue is recognized based on billable time spent in the project, priced at the contractual rate.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized in accordance with percentage of completion method once the customer obtains a right to access and use the Software.



(3) **Revenue from Resale of Hardware & Software**

Revenue from sale of traded hardware / software is recognized on transfer of significant risks, rewards and control to the customer.

Contract assets, liabilities and financing arrangements

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue).

Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue).

A contract liability is the Company's obligation to transfer software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue).

The Company assesses the timing of the transfer of software products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

c. Finance income

Interest on bank deposits is recognized on accrual basis.

The imputed interest attributable to arrangements having extended credit period is eliminated from the revenue from operations and accounted as interest over the credit period.

d. Income Taxes

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates as per the provisions of the applicable tax laws.

Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognized amounts and intends to settle the asset and the liability on a net basis.

Deferred tax is recognized using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow, all or part of the deferred income tax asset to be utilized.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.

Both current tax and deferred tax relating to items recognized outside the Profit or Loss is recognized either in “Other Comprehensive Income” or directly in “Equity” as the case may be.

e. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Depreciation in the books of the Company is charged on a pro-rata basis on the straight line method over the useful life of the assets.

The useful lives of various assets used by the Company are tabled below:

Asset type	Useful life (years)
Purchased software	3
Laptop & desktops	5
Furniture	7
Office equipment	7

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



f. Impairment of non-financial assets

The carrying values of the non-financial assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the statement of profit and loss.

g. Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognized but disclosed in the financial statements.

Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are neither recognized nor disclosed.

h. Employee benefits expense

Short term employee benefits Short term employee benefits viz., salaries, wages and other benefits are recognised as expenses at the undiscounted amount as per contractual terms in the statement of profit and loss for the year in which the related service is rendered.

Defined Contribution Plan

Canada Pension Plan (CPP)

All employees receive benefits from a CPP, which is defined contribution Plan. Both the employee and employer each make contributions to the plan equal to 5.70% of the covered employee's basic salary subject to maximum annual pensionable earnings as specified in the CPP Act. These contributions are made to the CPP maintained by the Government of Canada. The company has no further obligations under the plan beyond its contributions.



Defined benefit Plan

The Company has a policy of providing encashment of unavailed leave for its employees. The obligation for the leave encashment is recognised based on an independent external actuarial valuation at the Balance Sheet date. The expense is recognised in the statement of profit and loss at the present value of the amount payable determined based on actuarial valuation using “projected unit credit method”.

i. Financial instruments

1. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
2. Financial assets and liabilities are offset and the net amount is presented in the Balance Sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.
3. The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are reclassifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial assets

4. Financial assets comprise of investments in equity ~~and mutual funds~~, trade receivables, cash and cash equivalents and other financial assets.
5. Depending on the business model (i.e.,) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:
 - a) Amortised cost; or
 - b) Fair value through other comprehensive income (FVTOCI); or
 - c) Fair value through profit or loss (FVTPL). Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.
6. The Company has evaluated the facts and circumstances on date of transition to IFRS the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:



Classification	Business model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

7. Financial assets are de-recognised (i.e.,) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also de-recognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

- a. significant risk and rewards of the financial asset, or
- b. control of the financial asset.

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset. The Company has applied the de-recognition requirements prospectively.

8. Upon de-recognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.

9. For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Accordingly, the impairment testing is done on the following basis:

Name of financial asset	Impairment testing methodology
Trade receivables and unbilled license revenue	Expected Credit Loss model (ECL) is applied using 12 month ECL method. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss experience reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the lifetime. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.



Financial liabilities

10. Financial liabilities comprises of Borrowings, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.
11. The Company measures its financial liabilities as below:

Measurement basis	Names of Financial liabilities
Amortised cost	Borrowings, Trade payables, Interest accrued, Security deposits and other financial liabilities not for trading.

12. Financial liabilities are de-recognised when and only when it is extinguished (i.e.,) when the obligation specified in the contract is discharged or cancelled or expired.

Upon de-recognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

j. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into cash.

k. Cash dividend

The Company recognizes a liability to make cash dividend, when the distribution is authorized and the distribution is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity including applicable taxes.

l. Cash flow statement

Cash flows are presented using indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m. Operating segments

The Company's business operation comprises of single operating segment, Software and related solutions. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.



n. **Assets held for sale**

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell.

4. Significant estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgments in preparation and presentation of financial statements:

- Current taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgment by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

- Deferred tax asset

Significant management judgment is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Contingent liabilities

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies/ claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

- Impairment of financial assets

The impairment of financial assets are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgment considering the past history, market conditions and forward looking estimates at the end of each reporting date.

- Revenue recognition

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time.

The Company applies the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts, which are performed over a period of time. The Company exercises judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.



The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgment is also required to determine the transaction price for the contract.

The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

5. Adoption of New and Revised Standards

5.1 Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7

In September 2019, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7). These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the ongoing interest rate benchmark reforms.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

On August 27, 2020, the IASB issued Interest Rate Benchmark Reform-Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) with amendments that address issues that might affect financial rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after January 1, 2021.

The Company does not have financial assets related to hedging items nor instruments. The reformed amendment is not applicable to the Company.



5.2 Amendments to IFRS 16 regarding COVID-19-related rent concessions

In May 2020, the IASB issued *Covid-19-Related Rent Concessions (Amendment to IFRS 16)* that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

Any reduction in lease payments affects only payments originally due on or before June 30, 2021 (a rent concession meets this condition if it results in reduced lease payments on or before June 30, 2021 and increased lease payments that extend beyond June 30, 2021); and

There is no substantive change to other terms and conditions of the lease.

On March 31, 2021, the IASB published *Covid-19 –Related Rent Concessions beyond June 30, 2021 (amendment to IFRS 16)* that extends, by one year the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-Related rent concession is a lease modification. The amendment is effective for annual reporting a periods beginning on after April 1, 2021.

Despite of a significant impact of Covid-19 outbreak on global market, the Company has not had any material effects of Covid-19 in financial reporting nor financial statements

5.3 Amendments to IFRS 3 to update a reference to the Conceptual Framework

The IASB issued “Definition of a Business (amendment to IFRS 3) aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group assets. The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on after January 1, 2020.

The amendments in Definition of a Business (Amendments to IFRS 3) are changes to Appendix A Defined terms, the application guidance, and the illustrative examples of IFRS 3 only. They:



Clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the abilities to create outputs;

Narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;

Add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;

Remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and

Add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business

On May 14, 2020, the IASB issued “Reference to the Conceptual Framework (Amendments to IFRS 3)” with amendments to IFRS 3 “Business Combinations” that updated an outdated reference in IFRS 3 without significantly changing its requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2022

5.4 Amendments to IAS 37 regarding onerous contracts

On May 14, 2020, the IASB issued “Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)” amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments are effective for annual reporting periods beginning on or after January 1, 2022.

The reformed amendment is not applicable to the Company.

5.5 Conclusion of the 2018-2020 annual improvements cycle

The IASB has issued “Annual Improvements to IFRS Standard 2018-2020”. The pronouncement contains amendments to four international Financial Reporting Standards (IFRSs) as result of the IASB’s annual improvements projects

IFRS 1 First-time Adoption of International Financial Reporting Standards

Subsidiary as a first-time adopter. The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to IFRSs.



IFRS 9 Financial Instruments

Fees in the “10 percent” test for de-recognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the “10 percent” test in paragraph B3.6 of IFRS 9 in assessing whether to derecognize a financial liabilities. An entity includes only as fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either entity or the lender on the other’s behalf.

IFRS 16 Leases

Lease incentives. The amendments to IFRS 16 removes the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives.

IAS 41 Agriculture

Taxation in fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological assets using a present value technique. This will ensure consistency with the requirements in IFRS 13.

On May 14, 2020, the IASB issued “Annual Improvements to IFRS Standards 2018-2020”. The pronouncement contains amendments to four International Financial Reporting Standards (IFRSs) as result of the IASB’s annual improvements project. The amendments are effective on or after January 1, 2022.

The Company has applied IFRS 1 amended IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after January 1, 2022.

5.6 Amendments to IAS 16 regarding proceeds before intended use.

On May 14, 2020, the IASB issued “Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)” regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

The reformed amendment is not applicable to the Company.

5.7 New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

IFRS 17	Insurance Contracts
IAS 8	Amendments on accounting estimates
IAS 1 and IFRS Practice Statement 2	Amendments on disclosure accounting policies
IAS 12	Amendments on deferred tax
IAS 1	Amendments on classification



The Company does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

Subsequent Events

These financial statements were approved by management and available for issuance on May 11, 2022. Management has evaluated subsequent events through this date.

6. Revenues

	Year ended March 31 2022	Year ended March 31 2021
Revenue from operations - disaggregated		
Product wise revenue		
Revenue from software products	569,182	364,290
Revenue from software services	450,169	326,564
Revenue from resale of software and hardware materials	<u> </u>	<u> </u>
	1,019,351	690,854
Geography wise revenue		
Americas	1,019,351	690,854

Effective April 1, 2018, the Company adopted IFRS 15 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The impact of the adoption of IFRS 15 on the financial statements of the Company is insignificant.

Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by various factors including, termination, changes in scope of contracts, adjustments for revenue that are not materialized and adjustments for currency. Applying the practical expedient as given in IFRS 15, the Company has not disclosed the following:

- a) the remaining performance obligations for contracts where revenue recognized corresponds directly with the value to the customer of the entity’s performance completed to date including time and material, support service and subscription contracts and
- b) the remaining performance obligations in respect of other contracts, since those performance obligations have an original expected duration of one year or less in most of the cases.

During the year ended March 31, 2022 and 2021, the Company recognized revenue of \$ 132,220 and \$124,582 arising from opening unearned revenue of \$ 132,815 and \$125,181 as at April 1, 2021 and April 1, 2020.



The accounts receivable including unbilled revenues amounted to \$536,117 at March 31, 2022 (\$369,551 as on March 31, 2021) is net of allowance for doubtful receivables made of \$17,742 for 2022 and \$9,476 for 2021.

See section (7) Financial instruments and concentration of risk section for accounts receivable and unbilled revenues.

7. Financial instruments and concentration of risk

The Company's financial risks comprise of market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and foreign currency risk.

A.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's transactions denominated in a foreign currency including trade receivables and unbilled revenues, trade payables and bank balances.

The Company's foreign currency exposure subject to the above risk as at March 31, 2022, March 31, 2021 and March 31, 2020 is as follows:

Description	Foreign currency	Value in foreign currency	Value in CAD
Trade receivable			
March 31,2022	USD	279,349	351,967
March 31,2021	USD	13,031	16,548
March 31,2020	USD	77,308	110,198
Unbilled Revenues			
March 31,2022	USD	353,124	444,919
March 31,2021	USD	277,967	353,002
March 31,2020	USD	161,117	229,665
Trade Payables			
March 31,2022	USD	(24,346)	(30,675)
March 31,2021	USD	(24,346)	(30,918)
March 31,2020	USD	(24,346)	(34,704)
Bank Balances			
March 31,2022	USD	4,738	5,970
March 31,2021	USD	165,234	209,839
March 31,2020	USD	89,718	127,888



B. Credit risk

Credit risk is the risk of financial loss to the Company, if the customer or counter party to the financial instruments fail to meet its contractual obligations and arises principally from the Company's receivables and treasury operations.

Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and unbilled revenues are regularly monitored and the Company creates a provision based on expected credit loss model.

B.1 Account receivables and unbilled revenues

Account receivables

Account receivables of the Company include dues from others which are exposed to credit risk.

The number of external customers (excluding subsidiaries) and the percentage they owed exceeding (10% of revenues – \$ 101,935) individually, out of the outstanding as at March 31, 2022 and 2021, were 0 and 100%, 0 and 100%, respectively.

Unbilled revenues

Unbilled revenues of the Company are also exposed to risk in the event of the inability to bill the customer.

The number of external customers (excluding subsidiaries) and the percentage they owed exceeding (10% of revenues –\$ 101,935) individually, out of the outstanding as at March 31, 2022 and 2021, were 1 and 27%, 2 and 100%, respectively.

Credit risk exposure

The provision for doubtful debts for the Company for year ended March 31, 2022 was \$17,742 and \$9,476 for 2021.

Credit exposure

Nature of dues	As at March 31, 2022	As at March 31, 2021
Accounts receivables	\$91,199	\$16,548
Unbilled licenses revenue	290,333	227,588
Unbilled services revenue	154,586	125,414

B.2 Financial instruments and cash deposits

Investments of surplus funds are made only with approved counterparties. The Company is exposed to counter party risk relating to deposits with banks and investments in mutual funds. The Company places its cash equivalents based on the creditworthiness of the financial institutions.



C. Liquidity risk

Liquidity risks are those risks that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available.

8. Fixed Assets

a) Cost	Computer Equipment	Furniture and Fixture	Office Equipment	Purchased Software(Intangibles)	Total
At March 31, 2020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
- Addition	2,925		0		\$ 2,925
- Disposition	-	-	-	-	-
At March 31, 2021	\$ 2,925	\$ 0	\$ 0	\$ 0	\$ 2,925
- Addition	2,147		0		\$ 2,147
- Disposition	-	-	-	-	-
At March 31, 2022	\$ 5,072	\$ 0	\$ 0	\$ 0	\$ 5,072

b) Accumulated Depreciation	Computer Equipment	Furniture and Fixture	Office Equipment	Purchased Software(Intangibles)	Total
At March 31, 2020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
- Depreciation	(61)	0	0	0	\$ (61)
- Disposition	-	-	-	-	-
At March 31, 2021	\$ (61)	\$ 0	\$ 0	\$ 0	\$ (61)
- Depreciation	(636)	0	0	0	\$ (636)
- Disposition	-	-	-	-	-
At March 31, 2022	\$ (697)	\$ 0	\$ 0	\$ 0	\$ (697)

c) Net Book Value	Computer Equipment	Furniture and Fixture	Office Equipment	Purchased Software(Intangibles)	Total
At March 31, 2020	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
At March 31, 2021	\$ 2,864	\$ 0	\$ 0	\$ 0	\$ 2,864
At March 31, 2022	\$ 4,375	\$ 0	\$ 0	\$ 0	\$ 4,375



9. Income taxes

The Company's combined federal and provincial statutory Canadian income tax rates of 27% were the following:

The income tax expense consists of the following:

For the year ended March 31

	<u>2022</u>	<u>2021</u>
Current federal & provincial taxes	94,279	100,256
Increase resulting from:		
a. Non-deductible expenses	-	-
b. Difference in tax rates, foreign exchange & others	221	1,857
Total Income taxes	94,500	102,113

There are no material tax effects resulting from temporary differences in the current period that would give rise to future income tax assets and future income tax liabilities.

10. Common stock

Authorized: Unlimited common shares

Issued and Paid up:

	<u>Number</u>	<u>Amount</u>
Balance as at March, 31 2019	10,000	\$10,000
Balance as at March, 31 2020	10,000	\$10,000

Voting: Each holder of common stock is entitled to one vote per share.

11. Related party transactions

The Company has significant transactions with its parent company and ultimate parent company. All intercompany transactions are transacted at normal commercial terms at exchange amount agreed upon by the parties. The amount due to related parties was unsecured, non-interest bearing and had no specific repayment term.



Summary of Related party transactions:

For the year ended March 31

<u>Due from/(to) Related Parties:</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
A. Ramco Systems Ltd., India	\$ (55,087)	\$ (30,111)	\$ (69,477)
B. Ramco Systems Corporation, USA	<u>933,278</u>	<u>616,317</u>	<u>338,625</u>
Total Due from/(to) Related Parties	\$ 878,190	\$ 586,206	\$ 269,148

A . Receivable from/(Payable to) Ramco Systems Limited, India (“Ultimate Parent)

For the year ended March 31

	<u>2022</u>	<u>2021</u>
Opening balance	\$ (30,111)	\$ (69,477)
<u>Payable for:</u>		
Cost of services availed	(43,727)	(20,683)
Royalty	(148,976)	(65,625)
Salary	(1,604)	(1,070)
Travel and others	(15,825)	(2,839)
Payments	185,156	129,583
Withholding Tax		
Closing balance	\$ (55,087)	\$ (30,111)

B. Receivable from/(Payable to) Ramco Systems Corporation, USA (“Parent”)

For the year ended March 31

	<u>2022</u>	<u>2021</u>
Opening balance	\$ 616,317	\$ 338,625
<u>Payable for:</u>		
Salary	59,565	114,743
Travel	-	-
Hosting & Others-Net	257,396	162,948
Payments	-	-
Withholding Tax		
Closing balance	\$ 933,278	\$ 616,317



12. Impact of COVID-19:

The outbreak of Novel Coronavirus (COVID19) continues to progress and evolve. Therefore, it is challenging now, to predict the full extent and duration of its business and economic impact. The Company has, based on information available, taken into account the possible impact of COVID-19, including on the carrying amounts of financial and non-financial assets and as per the current assessment of the Company, there is no material impact in respect of these in the preparation of the financial statements. However, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to monitor the uncertainties caused by COVID-19 to assess the impact on our future economic conditions.

