

**M.S. JAGANNATHAN &
N. KRISHNASWAMI**

Chartered Accountants

Srinivasan Krishnaswami
Managing Partner

**Independent Auditor's Report To the Board of Directors of Ramco Systems Limited,
Switzerland**

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Ramco Systems Limited, Switzerland ('the Company'), which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income) for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2025 and its financial performance including other comprehensive income for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with the requirements and the code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Responsibilities of Management's and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rule issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation

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of the Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account; and
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under.

For M S Jagannathan & N Krishnaswami

Chartered Accountants

Firm Registration Number: 001208S

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K. Srinivasan

Partner

Membership Number: 021510

UDIN: 25021510BMMMPQ7961

Trichy

09 May 2025

Ramco Systems Limited, Switzerland
Balance Sheet as at 31 March 2025

	As at 31.03.2025 In CHF	As at 31.03.2024 In CHF
ASSETS		
Non-current assets		
Property, plant and equipment	106	355
Tax assets	86,672	122,433
Total non-current assets	86,778	122,788
Current assets		
Financial assets		
Loans, related parties	3,746,221	3,271,221
Trade receivables, related parties	-	338,582
Trade receivables others	204,267	94,983
Cash and cash equivalents	90,688	64,244
Other current assets		
Advance to related parties	226,918	121,192
Prepaid expenses	1,937	1,498
Statutory advances	429	-
Unbilled revenue, services	16,599	52,033
Total current assets	4,287,059	3,943,753
Total assets	4,373,837	4,066,541

For M S Jagannathan & N Krishnaswami
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09-May-25

For and on behalf of the Board of Directors of
Ramco Systems Limited, Switzerland



Directors

Ramco Systems Limited, Switzerland
Balance Sheet as at 31 March 2025

	As at 31.03.2025 In CHF	As at 31.03.2024 In CHF
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,400,000	1,400,000
Other equity		
Share premium	1,493,043	1,493,043
Retained earnings	908,051	603,550
Total equity	3,801,094	3,496,594
Liabilities		
Non-current liabilities		
Provision for employee benefits	56,122	55,144
Provisions for customer contract obligations	23,498	-
Total non-current liabilities	79,620	55,144
Current liabilities		
Financial liabilities		
Trade payables related parties	32,988	28,331
Trade payables others	20,145	38,749
Provision for tax		48,600
	112,600	
Other current liabilities & provisions		399,123
	327,390	
Total current liabilities	493,123	514,803
Total liabilities	572,743	569,947
Total equity and liabilities	4,373,837	4,066,541


For M S Jagannathan & N Krishnaswami
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For and on behalf of the Board of Directors of
Ramco Systems Limited, Switzerland



Directors

Ramco Systems Limited, Switzerland**Statement of Profit and Loss for the Year Ended 31 March 2025**

	Year ended 31.03.2025 In CHF	Year ended 31.03.2024 In CHF
Income		
Revenue from operations		
Revenue from software products	384,520	451,033
Revenue from software services	758,842	610,424
Finance income from related parties	165,050	145,787
Other income	23	261
Total income	1,308,435	1,207,505
Expenses		
Royalty to related parties	117,998	131,406
Service fees to related parties	405,158	356,133
Employee benefits expense	147,471	155,315
Finance costs		
Depreciation expense	249	249
Other expenses (Note a)	269,058	179,797
Total expenses	939,934	822,900
Profit before tax	368,501	384,605
Income tax expense	(64,000)	(65,999)
Profit for the year	304,501	318,606
Other comprehensive income	-	-
Total comprehensive income for the year	304,501	318,606

The accompanying notes forms an integral part of the financial statements.
As per our report of even dated, attached.

For M S Jagannathan & N Krishnaswami
Chartered Accountants
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09-May-25

For and on behalf of the Board of Directors of
Ramco Systems Limited, Switzerland



Directors

Ramco Systems Limited, Switzerland
Notes to Financials for the Year Ended 31 March 2025

1. Basis of Preparation

The financial statements have been prepared under Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act") (to the extent notified), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The following accounting policies have been consistently applied in dealing with items considered material to the Company's financial statements.

The financial statements have been prepared under the historical cost convention on accrual basis except certain financial instruments and defined benefit plan assets are measured at fair values.

The functional currency of the Company is Swiss Franc. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. The monetary items denominated in the foreign currency at the year-end are translated at the exchange rates prevailing on the date of the balance sheet and the loss or gain arising out of such transactions is adjusted in the Statement of Profit and Loss.

An asset or liability is treated as current when it is expected to be realised / settled within twelve months after the reporting period.

2. Revenue Recognition

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

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;

Revenue from Software Services, in the form of (a) Implementation / Professional Services (b) Managed Services;

Revenue from Resale of Hardware & Software.

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 recognised 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 recognise 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) recognise 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 recognised 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 recognising 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 customisation of the underlying software, revenue is recognised 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 recognised 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 recognised 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 customised software, are recognised 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 recognised 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 customised 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 recognised using the percentage of completion method as the implementation services are performed.

Revenues from implementation services in respect of hosting contracts are to be recognised 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 recognised in accordance with percentage of completion method.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised 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 recognised 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 standardisation set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognised in accordance with percentage of completion method once the customer obtains a right to access and use the Software.

(b) Managed Services

Fees for managed services, which include business processing services, are recognised as revenue as the related services are performed.

3. Revenue from Resale of Hardware & Software

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

3. 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 an entity'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.

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 disclosures. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised 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.

Ramco Systems Limited, Switzerland
Notes to Financials for the Year Ended 31 March 2025

	As at 31.03.2025	As at 31.03.2024
	In CHF	In CHF
Note a: Other expenses		
Advertisement & Sales Promotion	24,857	-
Audit Accountancy & Legal Charges	15,445	16,400
Bank Charges	1,419	2,871
Forex translation loss/(gain)	24,847	33,330
Insurance	933	936
Outsourcing costs	13,153	-
Postage, Telephone, Telegrams	702	688
Provision for Doubtful Debts, expenses	39,833	(5,008)
Provisions for customer contract obligations	23,498	-
Rates and taxes	29,802	4,717
Rent and hosting	82,641	80,341
Repairs and maintenance	-	2,080
Travelling and conveyance	(9,046)	22,560
Miscellaneous expenses	20,974	20,882
	269,058	179,797

The accompanying notes forms an integral part of the financial statements.
As per our report of even dated, attached.

For M S Jagannathan & N Krishnaswami
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