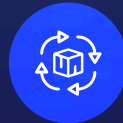
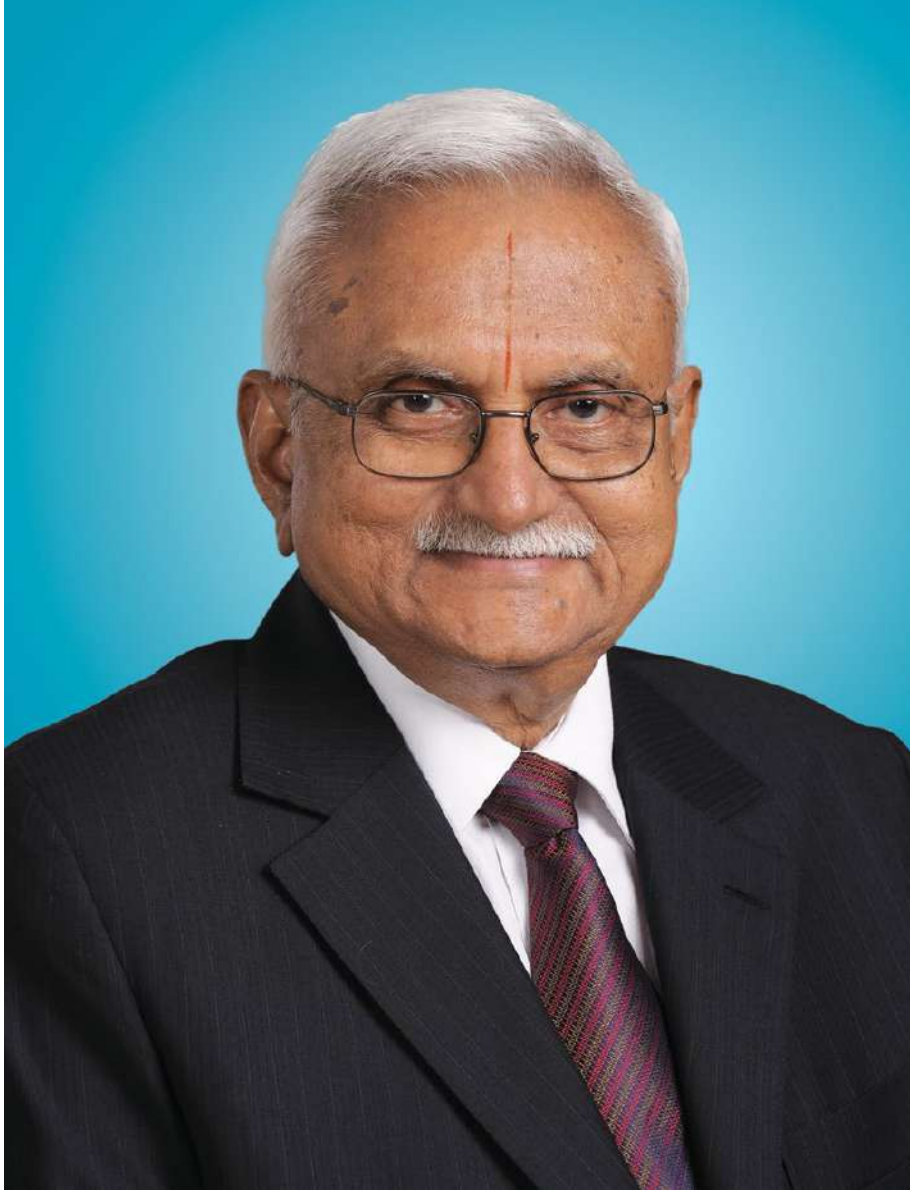


DRIVING
Transformation.
BUILDING
Future.





“GURUBAKTHAMANI”
SHRI P R RAMASUBRAHMANEYA RAJHA
Sridharmarakshakar - Former Chairman

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Investor information

Market Capitalization as on March 31, 2024, at BSE : NSE Rs.9,373.02 Mln.

Market Capitalization as on March 31, 2024, at NSE : BSE Rs.9,377.40 Mln.

CIN : L72300TN1997PLC037550

BSE Code : 532370

NSE Symbol : RAMCOSYS

AGM Date : August 21, 2024

AGM Venue : Virtual Meeting

An electronic version of this report is available online at:
<https://www.ramco.com/investor-relations/annual-reports>



Scan this QR code to navigate investor-related information

Disclaimer:

This document contains statements about expected future events and financials of Ramco Systems Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to this disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

BOARD OF DIRECTORS

Mr. P R Venketrama Raja

Chairman

Mr. P V Abinav Ramasubramaniam Raja

Whole Time Director

Mr. M M Venkatachalam

Independent Director (Retired on March 31, 2024)

Mr. A V Dharmakrishnan

Non-Independent Director

Mr. R S Agarwal

Independent Director (Retired on March 31, 2024)

Mrs. Soundara Kumar

Independent Director

Mr. Sankar Krishnan

Non-Independent Director

Justice P P S Janarthana Raja (Retd.)

Independent Director

Dr. M S Krishnan

Independent Director (Appointed w.e.f. February 07, 2024)

Dr. Aravind Srinivasan

Independent Director (Appointed w.e.f. February 07, 2024)

STATUTORY AUDITORS

Messrs M. S. Jagannathan & N. Krishnaswami,
Chartered Accountants, Tiruchirappalli

INTERNAL AUDITORS

Messrs SRSV & Associates,
Chartered Accountants, Chennai

SECRETARIAL AUDITORS

Messrs S. Krishnamurthy & Co.,
Company Secretaries, Chennai

BANKERS

Axis Bank Limited
HDFC Bank Limited
HSBC Limited
ICICI Bank Limited
IDBI Bank Limited
Kotak Mahindra Bank Limited

ADDRESSES

Registered Office

No. 47, P.S.K. Nagar,
Rajapalayam - 626 108

Corporate Office & Research and Development Centre

No. 64, Sardar Patel Road, Taramani,
Chennai - 600 113

SUBSIDIARIES

Ramco Systems Corporation, USA
Ramco Systems Ltd., Switzerland
Ramco Systems Pte. Ltd., Singapore
Ramco Systems Sdn. Bhd., Malaysia
RSL Enterprise Solutions (Pty) Ltd., South Africa
Ramco Systems Canada Inc., Canada
Ramco Systems FZ-LLC, Dubai
R S L Software Co. Ltd, Sudan
Ramco Systems Australia Pty Ltd, Australia
Ramco System Inc., Philippines
Ramco Systems (Shanghai) Co. Ltd., China
PT Ramco Systems Indonesia, Indonesia
Ramco System Vietnam Company Limited, Vietnam
Ramco Systems Macau Limited, Macao
Ramco Software Japan Limited, Japan
Ramco Systems Defense and Security Incorporated, USA
Ramco Middle East for Information Technology, Saudi Arabia
Ramco System LLC, Qatar
Ramco System Korea Company Limited, South Korea

REGISTRAR AND SHARE TRANSFER AGENT

Messrs Cameo Corporate Services Limited,
'Subramanian Building', No. 1, Club House Road,
Chennai - 600 002



At Ramco Systems Limited, we are dedicated to report the financial and non-financial performance of the Company in compliance with the regulatory requirements of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Integrated Annual Report is crafted in alignment with the Integrated Reporting <IR> Framework by IIRC. It offers a comprehensive and detailed overview of our business performance, showcasing how we manage our various stakeholders and create shared value through our corporate governance, strategy and risk management, stakeholder engagement, and sustainability initiatives.

The content and structure of this Annual Report is guided by the framework endorsed by the IR Council. Besides, the Company fully complies with the Stock Exchanges and SEBI compliances. We are committed to embracing best practices in reporting to ensure transparency and better stakeholder engagement.

This Annual Report comprises the relevant aspects of the operations of Ramco Systems Limited. It also consists of the desired statutory disclosures and audited annual financial statements for the year ended March 31, 2024. All the subsidiaries accounts are consolidated in the consolidated financial statements.

Your valuable feedback is integral to the continuous enhancement of our reporting journey. Kindly direct your comments to investorrelations@ramco.com

At Ramco, we wholeheartedly embrace this ethos of transformation by nurturing a culture of continuous innovation. Our commitment to stakeholders is mirrored in our solutions designed to future-proof businesses, keeping them ahead of the curve. Our cutting-edge solutions address our customers' core needs and shape their future business landscape. By combining industry expertise with customer centricity, we revolutionise business operations by optimising processes, enhancing efficiencies, and crafting exceptional user experiences.

In each of our endeavours, we are **driving transformation and building the future** by shaping tomorrow's industries, leaving a lasting and positive impact. We call ourselves the catalysts of change, nurturing a future where possibilities flourish.





Our offerings

As a fast-growing enterprise software player, Ramco is making significant strides in the market. Backed by our multi-tenant cloud and mobile-based enterprise software, we are steadily progressing in the areas of:



Our solutions leverage cutting-edge technologies like artificial intelligence, machine learning, and advanced analytics to drive operational efficiency and business value for our clients. To meet the specific needs of our clients worldwide, we offer flexible deployment models – Cloud (public or private), On-Premises, or Managed Service.



Highlights 2023–24

Transforming Organisations across the Globe

We support our clients' digital transformation initiatives in 30 locations across 35+ countries.



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection of the accuracy or completeness.

India

Chennai (HO), Bengaluru, Gurugram, Rajapalayam, Madurai

America

New Jersey and Texas

Europe

United Kingdom, Switzerland, Germany and Spain

Canada

Vancouver

Middle East

U.A.E., Qatar and Saudi Arabia

Africa

Durban and Sudan

Asia

Singapore, Malaysia, Indonesia, Hong Kong, China, Vietnam, Philippines, Macao, Japan and Korea

ANZ

Australia and New Zealand

Geography–Wise Revenues in FY 2023–24 (in %)

APAC

India

Europe

US

Middle East & Africa



Dear Shareholders,

Resilience and determination have been our guiding forces through the periods of global volatility and challenges. Our commitment to growth and innovation has not only helped us navigate uncertain times but also reinforced our transformative mindset. This year, our theme, 'Driving Transformation. Building Future,' embodies our dedication to pioneering advancements and shaping a visionary path forward. Together, we are paving the way for a dynamic and innovative future, setting new benchmarks in our space.

Businesses worldwide are significantly increasing their technology investments. Organisations are prioritising digital transformation initiatives, recognising that their competitive edge and value creation depend on effectively leveraging technology across processes, products, services, and customer experiences.

I am delighted to share with you that Ramco Systems is witnessing the beginning of a turnaround, with several positive developments across our operations. We have been working tirelessly to strengthen our core operations and seize new growth opportunities. Our strategic initiatives and

investments are starting to pay off, signalling a promising future ahead.

One of the most significant milestones this year was the launch of a modern SaaS-enabled payroll platform – Ramco Payce. This game-changing, cutting-edge platform exemplifies our focus on innovation and modernisation. It offers best-in-class AI-enabled experience, with an easy-to-use, rich user interface. Payce helps businesses streamline operations, boost productivity, and stay competitive in a rapidly evolving digital landscape. The positive feedback from our clients reaffirms the strong impact of our product in the enterprise software market.

Our efforts are setting the stage for sustainable growth. We have implemented financial strategies aimed at optimising our resources, reducing costs, and enhancing revenue streams.

At Ramco, we are committed to fostering a culture of operational excellence, customer satisfaction, and business agility. We have undertaken significant efforts to modernise our technology, ensuring our solutions remain at the forefront of innovation and meet the ever-evolving needs of our clients.

We are continuously upgrading our infrastructure, adopting the latest technologies, and enhancing our product offerings to deliver unparalleled value. Our focus on R&D and continuous improvement is central to our strategy, enabling us to stay ahead of industry trends and anticipate the needs of our clients.

As we look ahead, the future holds immense promise and potential. The demand for transformation continues to grow, and we are well-positioned to capitalise on this opportunity. Our focus remains strong – to deliver innovative solutions that drive efficiency, productivity, and competitive advantage for our clients.

In conclusion, I would like to express my sincere gratitude to you, our esteemed shareholders, for your support and trust in Ramco Systems. I am confident that we will emerge stronger, more resilient, and better equipped to tackle the challenges and opportunities that lie ahead.

Thank you for your continued support and belief in our shared vision.

Warm Regards,

P. R. Venketrama Raja
Chairman



Dear Shareholders,

I am deeply grateful for the trust and support of our incredible team, esteemed customers, and valued stakeholders during my first year as CEO of Ramco Systems. This year has been remarkable on several fronts.

We initiated the turnaround and modernization programs for the entire organization. We launched Ramco Payce, our modern payroll platform and inked strategic partnerships with Deloitte India and BDO that expands our market reach. Furthermore, we acquired a prestigious customer in Korean Air in the Aviation Maintenance, Repair and Overhaul (MRO) segment. Your unwavering support has been the cornerstone of our success, and for that, I thank you.

Our focus on five key areas of excellence – Operational, Financial, Product, Technical, and Customer – is driving our ongoing transformation journey. By prioritizing high-quality implementation, consistent support, and comprehensive managed services, we are building lasting partnerships and ensuring ongoing client satisfaction. Strategic financial management is ensuring sustainable growth while we navigate industry complexities. Our unwavering commitment to innovation is keeping our offerings stable, reliable, and addressing evolving client needs.

Looking Ahead: We are actively driving our growth plans through continued modernization and transformation. By prioritizing the customer experience at every touchpoint, we empower our teams to deliver performance excellence. This unwavering commitment to customer-centricity, coupled with strong organizational discipline and a relentless pursuit of innovation, will ensure we stay ahead of the curve. We are dedicated to continuous improvement, guided by your valuable feedback. Our focus remains on exceeding client expectations in every interaction.

Thank you for your dedication and support. Together, we will continue to achieve remarkable success and propel the Company forward.

Warm Regards,

Sundar Subramanian
CEO



Personalised Enterprise Solutions

The world is shifting from rigid, one-size-fits-all enterprise software to more personalised and user-friendly applications. With constant technological evolution, customers demand solutions that can meet their unique business needs and processes.

SaaS-Enabled Platforms & Products

SaaS-enabled platforms and products are shaping the modern operating environment by providing scalable, cost-efficient, and up-to-date solutions that enhance collaboration, support remote work, and ensure robust data security and compliance.

Data Analytics

Enterprises are looking to leverage their data assets to drive smarter decisions through techniques like big data analytics, data mining, business intelligence, and self-service analytics. Data visualisation and the ability to derive intelligent insights from operational data are becoming essential capabilities.

Efficiency and Tech Competitiveness

In today's challenging economic climate, enterprises are laser-focused on optimising operational efficiency and maximising tech competitiveness. They achieve this by streamlining processes, leveraging latest technologies like Artificial Intelligence ("AI") and Machine Learning ("ML") reining in expenses, and maximising output while minimising input costs. Thereby boosting profitability and competitiveness.





Building the Future:
**Transforming
Global Businesses
with Future-Ready
Offerings**



Ramco's diverse portfolio encompasses Aviation, Payroll, ERP, and Logistics Solutions. These offerings empower global enterprises to remain at the forefront and capitalise on emerging trends. By leveraging the latest advancements, Ramco's offerings enable businesses to future-proof their operations, unlocking new realms of efficiency, agility, and growth.



Our Rationale

The global payroll & HR processing landscape is undergoing a transformative shift due to increasing workforce dynamics, regulatory changes, and the demand for efficient and intelligent solutions. With the rise of remote and hybrid work and the growth of the gig economy, workplace and workforce dynamics have completely changed. As a result, payroll administration can no longer remain a backroom function; it must move to the boardroom as it empowers the organization's workforce and drives business success.

Our Value-Proposition



In our commitment to constantly evolve and push the boundaries of innovation, and our quest to embark on our platform modernisation journey, during the year we unveiled Payce – a transformative platform that redefines the perception of payroll processing. Payce is the culmination of Ramco's 25+ years of learning in the global payroll space, offering a mobile-responsive, new-age user experience that enables seamless on-the-go payroll tasks.

Quick Implementation

Enables rapid onboarding of multiple entities/countries through a simple and uniform User Interface ("UI"), with pre-configured steps ensuring quick and hassle-free implementation and faster go-live.

Real-Time Monitoring

Provides real-time monitoring through visual representations for streamlined monitoring of global payroll & HR transformation projects, ensuring transparency and efficiency.

Payroll Administrator Experience

Possesses powerful processing capabilities, handling large volumes of data within minutes, elevating payroll to a strategic boardroom asset.

Intuitive UI and Analytics

Keeps administrators informed throughout the process, with BlNGO report viewer and DIY analytics tool enabling on-demand reporting, data analysis, and real-time insights.

Employee Experience

Delivers seamless, mobile-friendly experience with instant query resolution through the 24/7 Payroll Bot CHIA, enhancing engagement, productivity, and employee satisfaction.

Platform Modernisation

A transformative platform with a user-centric design, intuitive interface, and advanced features for streamlining payroll operations.

Global Coverage

Extensive global payroll & HR coverage across 150+ countries, addressing local regulations and workforce dynamics.

Advanced Analytics & Reporting

Powerful payroll analytics capabilities enabling data-driven decision-making and strategic workforce planning.

Employee Experience

Mobile-friendly experience with self-service portals, enhancing employee engagement and productivity.

Scalability

Cloud-based architecture enabling seamless scalability to accommodate business growth and changing requirements.

Our Strategy

Focused Approach

Target strategic growth industries and Fortune 500 companies where we have demonstrated success and a referenceable client base.

Technology Integration

Incorporate cutting-edge technologies like AI, ML, and advanced analytics to stay ahead of the curve and meet evolving market demands.

Strategic Partnerships

With various In-Country Providers (ICPs) to expand global payroll & HR coverage and redefine the landscape of payroll transformation.

Customer Advocacy

Foster customer loyalty and advocacy through a rewarding experience, leveraging our extensive client engagement programs.

Regulatory Compliance

Monitor and adapt continuously to changing local regulations and workforce dynamics to ensure compliance across global markets.

Our Rationale

The aviation industry is undergoing a period of rapid transformation. This transformation is driven by the need for increased efficiency, safety, and sustainability. Aviation organisations seek comprehensive solutions to streamline operations, optimise resource utilisation, and ensure regulatory compliance while embracing cutting-edge technologies.

Our Value-Proposition

Our Uniqueness

Comprehensive Solution

Our Aviation Software offers a complete, end-to-end solution encompassing M&E/MRO, Supply Chain, Finance, EAM, Maintenance Control Centre, and Flight Operations, providing a unified platform for seamless operations.

Industry-Specific Expertise

We have developed deep domain knowledge with decades of experience in the aviation sector. We have tailored our solutions to address the niche challenges and regulatory requirements of varied segments in the industry.

Cutting-Edge Technology

We leverage advanced technologies such as artificial intelligence, machine learning, and automation to optimise operations, predict maintenance needs, and drive intelligent decision-making.

Flexible and Scalable

Our solutions are designed to be flexible and scalable, adapting to the evolving needs of our customers as their businesses grow or change.

Our Strategy

Segment Focus

We continue to focus on specific segments within the aviation industry, such as MROs, helioperators, commercial airlines, and emerging sectors like eVTOLs and drones. These are the sectors where we have established a strong foothold.

Product Enhancements

Ongoing product enhancements to our Aviation Suite with new features and capabilities. We plan to achieve this by incorporating feedback from our customers and industry experts to stay ahead of the curve.

Strategic Partnerships

Pursue strategic partnerships and collaborations with industry leaders, aviation authorities, and technology providers to drive innovation and deliver cutting-edge solutions.

Geographical Expansion

Explore opportunities for geographical expansion, targeting regions with significant growth potential in the aviation industry. Additionally, our plans to strengthen our presence in existing markets remain steady.

Our Rationale

In today's rapidly evolving business landscape, traditional Enterprise Resource Planning (ERP) systems, focused solely on operational improvements, are no longer sufficient. Organisations need to embrace transformative, cloud-based ERP solutions that integrate cutting-edge technologies like AI, IoT, and advanced analytics to thrive in a volatile, uncertain, complex, and ambiguous (VUCA) world.

Our Value-Proposition



Our Uniqueness

One Codebase

Built from the ground up using one codebase, ensuring seamless integration across all components without any complexity.

Cloud Benefits

Offers cloud-based ERP with Zero Capex and a pay-per-use model, optimising IT investments and enabling easy scalability.

Mobility

Integrates mobile apps and responsive design for real-time access and on-the-go operations.

Flexibility

Offers extensive extension tools and capabilities to tailor the solution to specific business needs and enhance customer experience.

Integration

Robust enterprise services platform for seamless connectivity with third-party systems, leveraging existing investments.

User Interface: Modern, intuitive, and user-friendly interface, focusing on Zero UI and the best-in-class user experience.

Our Strategy

Focused Approach

Target strategic growth industries where we have demonstrated success and a referenceable client base, leveraging our expertise and proven track record.

Customer Advocacy

Extensive engagement programmes with existing clients through events, referrals, and more, fostering a rewarding experience and creating brand champions.

Adapting to Market Demands

Incorporate cutting-edge technologies like AI, ML, IoT, multi-cloud solutions, and mobile-first offerings to continually stay ahead of the curve and remain relevant in the evolving market landscape.

Our Rationale

The logistics industry is witnessing a surge in demand for an efficient and integrated ERP solution, tailored for logistics service providers that can not only help streamline operations, improve visibility and control, enhance customer service, but also drive business growth in today's competitive market landscape.

Our Value-Proposition



Our Unique Proposition

Depth and Breadth of TMS and WMS

Our robust TMS and WMS solutions cater specifically to the needs of 3PL & Express Parcel service providers. Thus enabling seamless transportation and warehouse management.

End-to-End Solution

We are one of the few product companies that provide an integrated end-to-end solution for the 3PLs, covering TMS, WMS, Finance, EAM and SCM. Thus ensuring a seamless and cohesive experience.

Scalable & Flexible Integration Framework

Our solution offers a flexible framework for connecting with third-party applications, allowing businesses to work with multiple applications while addressing their unique business needs.

Customisation and Upgrade Compatibility

Ramco's framework facilitates customisation and enhancements without hindering future upgrades, ensuring a smooth and continuous improvement journey.

Our Strategy

We recognise the importance of staying ahead of emerging trends and capitalising on growth opportunities in the logistics industry. Our vertical's transformative priorities and growth strategies for the upcoming fiscal year include:

Regional Focus

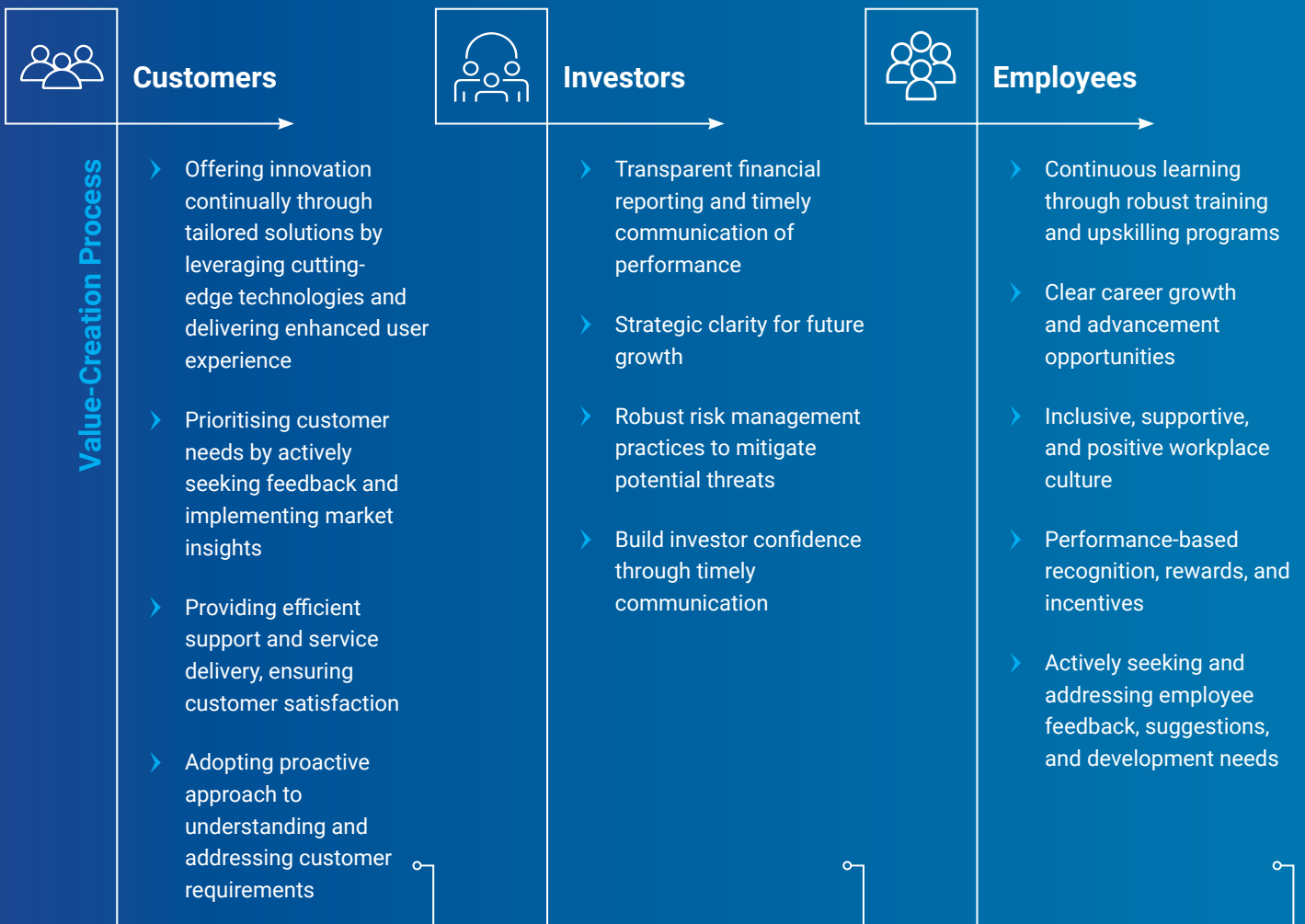
Continued focus on verticals and sub-verticals where we have deep domain expertise and proven solutions, such as 3PL providers in Australia & New Zealand (ANZ), Indonesia, and Saudi Arabia.

Product Modernisation

A phased approach to releasing the upgraded versions with enhanced UI & user experience of our TMS and WMS solutions for end users, marking the culmination of our product modernisation journey.

Continuous Improvement

We remain dedicated to improving product stability and fostering long-term partnerships with referenceable clients in the regions we operate, solidifying our market presence.





Community

- Actively engage with the community through tailored programmes and initiatives
- Commitment to social and environmental sustainability practices
- Support local communities through philanthropic activities and investments
- Strict compliance with regulations, ethical standards, and community expectations
- Proactively assessing and addressing environmental impacts



Environment

- Implementing eco-friendly practices across all operations
- Focussing on reducing carbon footprint and waste generation
- Transitioning towards renewable energy sources for a greener future
- Conducting comprehensive environmental impact assessments for informed decision-making
- Setting and achieving ambitious sustainability goals and targets



Driving Collaboration for Shared Success

At Ramco, we embrace a holistic approach to stakeholder engagement, recognising the pivotal role played by diverse stakeholder groups in our success. This section delves into our comprehensive strategies and initiatives tailored to meet the unique needs and expectations of our valued customers, investors, employees, communities, and environment.



Strengthening Focus on Service

We have strengthened our focus on service by deploying an enhanced version of our customer issue tracking system, rTrack, at all client sites. This enables clients to browse through a wide range of FAQs and quickly resolve common problems/queries. We have also standardised our internal

support process workflows, implemented industry best practices, and enhanced our support dashboard to provide real-time insights into customer support performance metrics, SLAs, and usage statistics.

New Innovations

Driving innovative customer-centric solutions that evolve with market dynamics through advanced technologies, intelligent automation, and transformative platforms across various industries. Some of the notable innovations during the year include:

Our constant endeavours toward enhancing customer experience are driven through structured surveys and the implementation of insights provided by our customers. These include:

Product Management Council (PMC)

Customers actively involved with the product team to provide constant feedback on product improvement and new feature development

Engagement Level Feedback (ELF)

Quarterly feedback survey across all customers undergoing project implementation to get feedback on the overall delivery experience

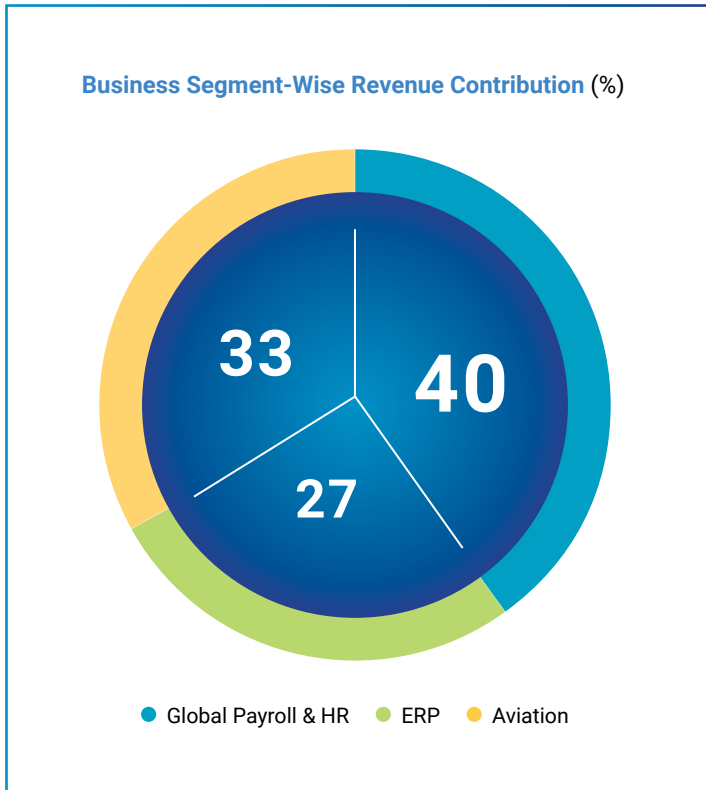
Net Promoter Score (NPS)

Annual survey focusing on overall support experience, product usability, flexibility, and comprehensiveness



Driving Customer Satisfaction

We engage with our customers throughout the year in various ways to reinforce trust and strengthen relationships. The invaluable insights gained through these interactions have played a pivotal role in enhancing our products' UI and UX making it more intuitive and intelligent through automation. We are committed to continuously incorporating these learnings, ensuring our solutions remain at the forefront of innovation and customer satisfaction.



Global Payroll & HR

Australian Advertising Company

A leading Australian out-of-home advertising company replaced legacy payroll systems with Ramco's unified HR and Payroll solution for 800+ employees. This enabled accurate processing, integration with other systems, statutory compliance, self-service portals, and mobile apps – improving employee experience. It helped them move payroll operations in-house for better control.

Indian International Bank

India's largest international bank reduced Total Cost of Ownership (TCO) by implementing Ramco's single integrated multi-country payroll platform across 18 countries. This provided standardisation, automation, self-service, reporting capabilities, and continued compliance updates - improving decision-making and reducing governance overheads. The solution leveraged next-gen technologies like AI/ML, chatbots, and voice UI.



Aviation

A Multinational Aerospace Corporation

Ramco Aviation Software has been integral to a leading multinational aerospace corporation in its growth journey in New Zealand. Initially implemented to support the training fleet programme, the solution now encompasses MRO operations for military and civil airframes and engines. With Ramco, the organization has streamlined processes, improved maintenance planning and tracking, and enhanced inventory management. The partnership's success has paved the way to its other entities in Australia to consider Ramco's solutions.

A Leading In-Service Support Integrator

Canada's leading in-service support integrator, entrusted Ramco to manage the Department of National Defense Fleet. Ramco's Aviation MRO Solution, integrated with SAP's Financials and Procurement modules, replaced their legacy maintenance tracking system. This comprehensive solution delivered improved process efficiency, effective fleet management, automated inventory management, and consistent data with reduced manual entry.

A Leading French Airline Company

A popular French Polynesian operator, sought a solution to address various shortcomings of their previous MRO IT solutions. Ramco's warranty and claims management solution enabled real-time tracking and automation, while the tool & calibration module optimised inventory efficiencies. Integration with Sabre Rocode Flight Ops system facilitated real-time maintenance updates and flight scheduling. Ramco's one-stop platform for end-to-end M&E provided the effectiveness of best-of-breed solutions, aligning critical MRO functions with industry best practices.



ERP

Leading Automotive Component Manufacturer

A leading Indian automotive component manufacturer implemented Ramco's integrated ERP solution to manage production, inventory, maintenance, procurement, sales, distribution, and after-sales. This provided transparency across the value chain, automated transactions, reliable reporting, and paperless operations - improving efficiency and profitability. The solution helped them tackle the subdued market demand and plan operations better.

Indian Multinational Conglomerate

An Indian multinational conglomerate deployed Ramco's Contract Workforce Management Solution across 28+ plants to standardise hiring, onboarding, and managing 100,000+ contractual workers. This enabled manpower planning, attendance reconciliation, statutory compliance and workmen productivity tracking, and achieved 16-22% cost savings. It also provided real-time visibility into workforce data for informed decision-making.



Logistics

South African Logistics Company

The largest logistics company in South Africa implemented Ramco's TMS to standardise operations across business lines. It enabled vendor management, end-to-end visibility, report integration, and compliance with data privacy regulations - optimising operations and reducing costs. The integrated nature of the TMS allowed to handle multiple customers effortlessly.



Payroll: Redefining the Employee Experience

Through innovative partnerships and insights, we are creating lasting value by redefining the employee experience and driving payroll innovation:

- Forged transformative partnerships with Deloitte and BDO India for world-class global payroll & HR solutions
- Provided insights for enhancing employee experiences through the 'Future of Employee Experience' study with Ecosystem
- Shaped strategic roadmaps for innovative solutions addressing evolving needs in employee management, HR, finance, and technology addressing evolving employee, HR, finance, and technology



Aviation

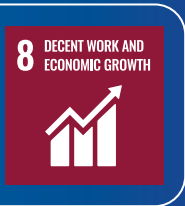
Our aviation vertical witnessed remarkable achievements, solidifying our position as a trusted technology partner for leading aviation organisations worldwide:

- Strategic partnership with Korean Air for the digital transformation of their engine maintenance facility
- Successful deployment of a comprehensive suite of solutions at Philippine Airlines
- Accelerated deployment at AI Engineering Services Limited (AIESL) following hive-off from Air India, showcasing agility and commitment to customer success



As we look ahead, we remain committed to fostering collaborative ecosystems that combine our industry expertise with the complementary strengths of our partners, delivering enhanced value to our customers and driving sustainable growth for our esteemed investors.

SDGs Impacted



ERP: Driving Operational Excellence

In the ERP domain, we secured significant deals and expanded our reach, creating lasting value through operational efficiency and growth:

- Closed a landmark deal with a leading conglomerate for streamlining Cement and RMC businesses
- Implemented solutions in the EV sub-segments like heavy commercial vehicles, three-wheelers, and tractors for a prominent automotive group
- Secured orders from real estate developer, ports operator, wood products manufacturer, and facility management service companies
- Solidified position in the EV segment with a deal from an EV battery manufacturer in Hyderabad



Logistics: Driving Efficiency and Excellence

In the logistics domain, our initiatives are creating lasting value through operational excellence and customer satisfaction:

- Secured two multi-million-dollar deals in Australia and Indonesia
- Implemented TMS, WMS, and Finance solutions for a large 3PL customer in Australia and major retail customer in Indonesia within 8 months, successfully
- Achieved contract renewals from a large European player and significant 3PL customer, reflecting customer satisfaction



Employee Well-Being

At our company, we diligently prioritise the holistic well-being of our team, offering an array of benefits designed to drive a thriving work environment. From comprehensive healthcare coverage including 100% health insurance, accident insurance, maternity and paternity benefits, to robust wellness programmes and professional development opportunities such as on-skill training for over 20% of our workforce, we empower our employees to flourish both personally and professionally. Our commitment is further evidenced by our implemented health and safety management system, encouragement of hazard reporting,. By investing in their physical, mental, and career growth, we cultivate a culture of support and excellence, ensuring each team member reaches their fullest potential while contributing to our collective success.

technology to streamline processes and provide candidates with an efficient, seamless experience. Once onboard, new team members are introduced to our organization through a digital onboarding process, followed by comprehensive virtual training. This equips them with the essential knowledge and skills needed to contribute effectively to our shared objectives. We place a strong emphasis on continuous growth, offering a diverse array of learning and development programs, mentorship opportunities, and recognition initiatives. These efforts are aimed at nurturing our talented workforce, ensuring their ongoing development and job satisfaction. By investing holistically in our employees' physical, mental, and career growth, we foster a culture of support and excellence. This approach enables each team member to maximize their potential while contributing to our collective success, ultimately driving Ramco's growth and innovation in the industry.

Please refer to the Business Responsibility and Sustainability Report (BRSR) on page no.134 for more details on well being of employees.

Talent Attraction and Retention

At Ramco, we view talent acquisition and development as a cornerstone of our success. Our approach to recruitment is designed as a multiplier strategy, leveraging cutting-edge



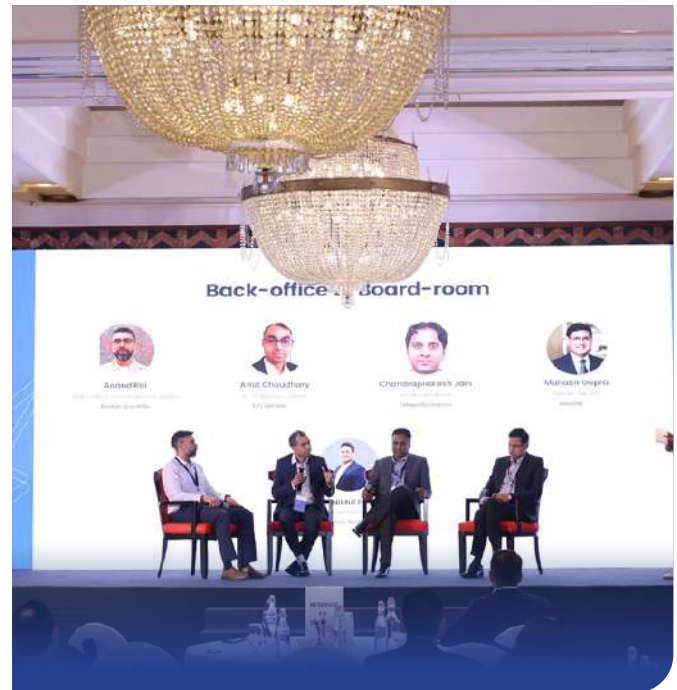
Diversity and Equal Opportunity

We take great honour in our diverse and inclusive workforce. With our strong global presence across 35+ countries, our employees represent 20 nationalities, with 37% being women. We actively promote fair hiring practices and equal opportunities for all, regardless of gender, ethnicity, or background. Our 'Return to Ramco' initiative welcomed back our former employees, particularly women who had taken career breaks and were eager to re-join the workforce. Our hiring practices are designed to consider all types of career paths, ensuring that candidates are selected based on their skills and merit, irrespective of their backgrounds.

	FY 2023-2024	FY 2022-2023
Total Permanent Employees	1,767	1,912
Male	1,113	1,146
Female	654	766
Female % of Total Workforce	37%	40%

Training and Development

At Ramco, we believe in the importance of continuous learning and skill enhancement. Through our initiative called 'Ramco Corp University,' we offer tailored training programmes that empower our employees to stay ahead of industry trends and developments. We conducted training programmes covering a wide range of topics, including leadership development, functional capabilities, technical skills, and personal growth.



Please refer to the BRSR on page nos. 131 & 136 for more details on training.

Key Initiatives Include:

- LaunchPad for onboarding
- IgniteU for continuous upskilling
- Bite-sized learning modules
- High-potential employee programmes like CEO's Club and Accelerators Club
- RamcoBootStrap for fostering entrepreneurship
- RamcoNextGen for nurturing future leaders

SDGs Impacted



Environmental Sustainability

We firmly believe in safeguarding environment for future generations. One of our key initiatives is the 'Conservation of the Tropical Dry Evergreen Forest of South India' (TDEF) project undertaken in collaboration with Auroville Foundation. As part of our CSR contribution, we allocated Rs. 6 Mln. towards the conservation of this remarkable ecosystem. The TDEF consists of 1,200 species, including 400 woody or bulbous species and 800 allied species, making it a biodiversity hotspot in dire need of preservation. Through this project, we aim to preserve the unique biodiversity and ecological balance of the region, protecting the flora and fauna of the TDEF.



Education and Skill Development

Education is the cornerstone of progress, and we actively support initiatives that promote quality education and skill development. One such endeavour is our collaboration with Shri Abhinava Vidyatheertha Seva Trust, where we have supported educational institutions in and around our operational areas, providing access to quality education for underprivileged children. Additionally, we have undertaken vocational skill development programmes to enhance employability and create sustainable livelihood opportunities.

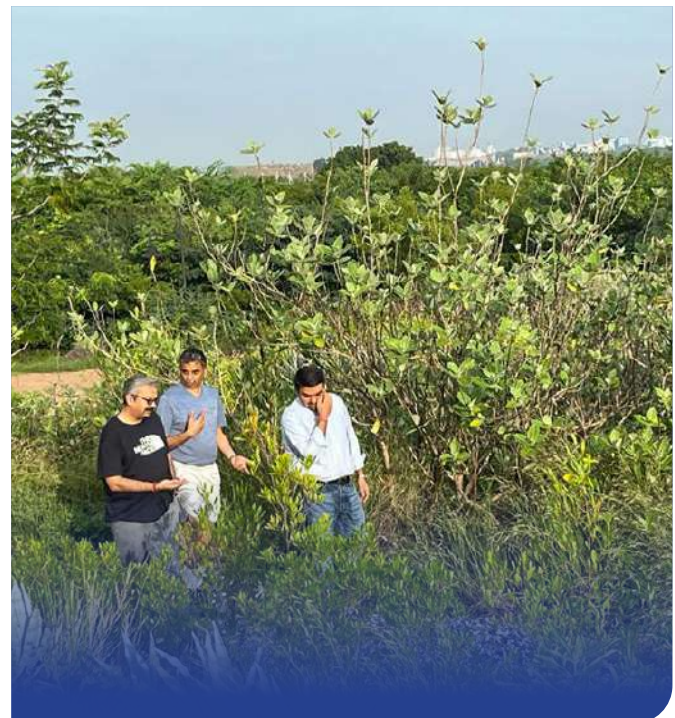
Urban Infrastructure and Sustainable Communities

Ensuring environmental sustainability in urban areas is crucial for creating sustainable cities and communities. Our recent project, 'Towards Rajapalayam Town forming part of the masterplan development under AMRUT scheme Guidelines of Tamil Nadu Government' aims to enhance the environmental sustainability and urban infrastructure of Rajapalayam, a town in the Virudhanagar district of Tamil Nadu.



Ramco's CSR Projects

We firmly believe that our CSR initiatives should create lasting impact and empower communities to thrive. Through our collaborative efforts with various implementing agencies and stakeholders, we strive to address critical societal challenges and contribute to the overall well-being of the communities we serve. As we move forward, we remain committed to our CSR endeavours, continuously exploring opportunities to create a positive and lasting impact on society.



SDGs Impacted

3 GOOD HEALTH AND WELL-BEING

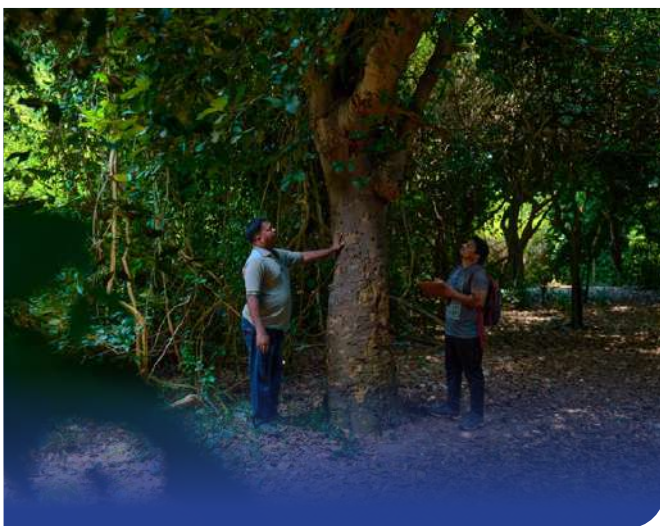
4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

The Tropical Dry Evergreen Forest of South India represents a unique and critically endangered ecosystem, encompassing over 400 woody species specifically adapted to the low annual rainfall of the region. This forest is home to several rare and threatened species, including *Diospyros ebenum*, *Diospyros affinis*, *Hildegardia populifolia*, *Drypetes porteri*, and *Pterocarpus marsupium*. Additionally, the widely distributed flowering and seeding periods across species, supports a habitat for various animal and insect species, particularly essential pollinators such as bee species.

Unfortunately, the TDEF is the most endangered forest type in India, with less than 5% of its original range of approximately 25,500 km² containing remnant vegetation, of which is mostly secondary regrowth forest. Agricultural intensification and high population density in the region exert additional pressures. Thus, it is considered that less than 0.1% of the forest remains as a functional TDEF ecosystem. This stark contrast to Sri Lanka, where 37% of the dry evergreen forest range is protected, highlights the urgent need for increased conservation efforts in India.

Ramco Systems, in collaboration with the Auroville community – who have had a longstanding commitment to TDEF conservation, initiated a multi-dimensional conservation effort to address these challenges. Key initiatives include:



Environmental Education Programs

During the project, the education team conducted 259 programs for schools and colleges, benefiting 8,470 participants, including 7,930 students and 540 teaching staff. These programs, held at the Auroville Botanical Gardens and in situ at schools, focused on raising awareness about TDEF, its conservation, and introducing students to its rare species. Additionally, 197 Forest Officers from 14 different forest ranges received formal TDEF training.



Biodiversity Surveys: Surveys of Reserve Forest

Plains, hillock Reserve Forests and sacred groves were conducted to collect comprehensive ecological data, including canopy species, understory cover, and notable species. These surveys, supported by GIS mapping, provide valuable data for future research and conservation efforts. Detailed reports on sacred groves, Reserve Forests – plains, and hillock Reserve Forests were published, aiding communication with the Forest Department for collaborative conservation efforts.

Seed and Plant Collection

Efforts to maximize biodiversity and genetic diversity included 418 seed collections from 66 sites, encompassing 122 species. A traceability system was implemented to monitor seedling performance and ensure successful conservation planting.



Plantation Programs

The bioregional plantation program established TDEF plantations at multiple sites, including schools, panchayat office, Reserve Forests and sacred groves, with a total of 21,125 seedlings being planted. Collaboration with local project holders and the Forest Department ensured the success and sustainability of these plantations. Additionally, 15,753 seedlings were planted within the forests of Auroville.



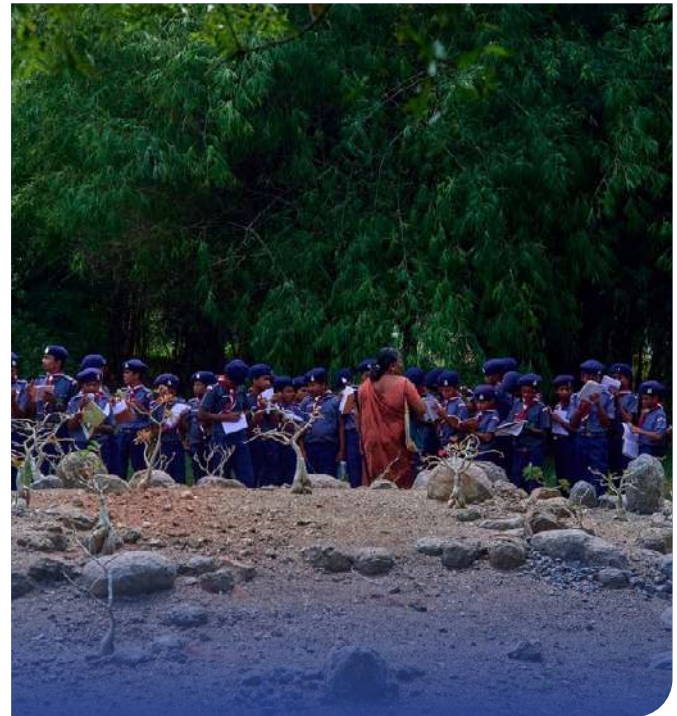
Please refer Annexure to the Board's Report on page no.77 for more details on CSR.

Species Analysis Report

A comprehensive report has been prepared, detailing the analysis of 40 TDEF species in terms of spatial distribution and conservation priority. The study aims to deepen the understanding of these species, consolidate base data, and create GIS shareable data for efficient seed collection. Ultimately, the report serves as a tool for future TDEF conservation drives by any authority or organisation implementing restoration projects.

Educational Materials and Outreach

Publications, such as "Trees of South India," and an educational documentary film, "Once upon a Forest," were developed to enhance knowledge sharing and inspire conservation efforts. Furthermore, online resources have been developed including a virtual digital herbarium.



In summary, the TDEF conservation initiative jointly spearheaded by Ramco Systems and Auroville represents a unique comprehensive and replicable approach to preserving this unique and endangered ecosystem. Through education, research, seed collection, and plantation programs, combined with effective collaboration with local communities and authorities, significant strides are being made toward ensuring the survival and regeneration of the TDEF.

As a responsible corporate citizen, Ramco recognises the potential risks posed by environmental factors such as climate change, resource depletion, and regulatory changes. We have implemented a robust risk management framework to proactively identify, assess, and mitigate these risks.

Our approach to environmental risk management involves:

- **Climate Change Resilience:** We assess the potential impacts of climate change events, such as sea-level rise, increased cyclonic effects, and transitional risks like renewable energy mandates, on our business operations. By analysing these risks, we develop strategies to enhance our resilience and adapt to the changing climate.
- **Resource Optimisation:** We continuously explore opportunities to optimise resource utilisation, including energy, water, and raw materials. This helps us minimise our environmental footprint and reduce operational costs.
- **Regulatory Compliance:** We closely monitor and comply with all applicable environmental laws, regulations, and guidelines in the regions where we operate. This includes adherence to air and water pollution control acts, environmental protection acts, and waste management regulations.
- **Supplier Engagement:** We engage with our value chain partners to encourage adopting sustainable practices and promote responsible sourcing. We prioritise partnerships with suppliers who have robust environmental policies and certifications.

Please refer to the BRSR on page nos. 142 & 143 for more details on energy & water consumption.

Energy Consumption and Intensity

Water Consumption

Green IT Initiatives

As a technology company, we recognise the importance of leveraging innovation and digital solutions to drive environmental sustainability. Our Green IT initiatives focus on:

- **Energy-Efficient Infrastructure:** We prioritise the procurement and deployment of energy efficient computing resources, including servers, storage systems, and networking equipment, to reduce our energy consumption and carbon footprint.
- **Cloud Computing:** We optimise resource utilisation by embracing cloud computing solutions. It helps reduce hardware requirements and minimise our environmental impact through shared infrastructure and efficient data centre operations.
- **Virtualisation and Consolidation:** We consolidate our server and storage infrastructure through virtualisation technologies. This leads to reduced energy consumption, cooling requirements, and hardware footprint.
- **Green Software Development:** Our software development practices emphasise eco-friendly coding techniques, optimised algorithms, and efficient resource utilisation. Thus contributing to the development of energy efficient and sustainable software solutions.

Environmental Collaboration and Advocacy

Ramco actively collaborates with industry associations, non-governmental organisations, and government bodies to promote environmental sustainability and advocate for sustainable business practices. We participate in industry forums, knowledge-sharing sessions, and awareness campaigns to contribute to the collective efforts towards environmental protection.

Additionally, we encourage and support our employees' participation in environmental conservation initiatives. This enables us to foster a culture of environmental stewardship within our organisation.

Towards a Sustainable Future

Our environmental sustainability plan for the next 1 to 3 years is designed to manage and monitor our business's impact on the environment within our operations and throughout our supply chain. This comprehensive plan covers managing and monitoring energy and water usage, offsetting our carbon

footprint, pollution prevention, waste management, and recycling.

We firmly believe that we are merely tenants on this planet Earth, and it is our ultimate responsibility to hand over the planet in an intact state to future generations. We are committed to making our environmental stewardship an ongoing journey by integrating sustainability into our core values and operations. We remain dedicated to continuously exploring and implementing sustainable practices to create a greener, more resilient future for all.



Waste Management

Greenhouse Gas Emissions

Please refer to the BRSR on page nos. 144 & 145 for more details on waste management & greenhouse gas emissions.

SDGs Impacted









Board's Report

Dear Members,

Your Directors are pleased to present the Twenty Seventh Report of the Board of Directors ("Board") on the business and operations of the Company ("Ramco Systems" or "Ramco" or "RSL" or "Company"), together with the audited standalone and consolidated financial statements for the year ended March 31, 2024.

SUMMARY OF PERFORMANCE

In the financial year FY 2023-24, there was a increase in the consolidated turnover of Rs.5,258.31 Mln., as against previous year's turnover of Rs.4,922.23 Mln. The consolidated Profit/(Loss) after tax for the FY 2023-24 was Rs.(2,419.32) Mln. as against Rs.(2,068.40) Mln. for the previous year. The increase

in loss was mainly due to increase in provision for doubtful debts and advances. Consequently, the consolidated earnings per share reduced to Rs.(68.51) for the year, as against Rs.(65.60) for the previous year.

The standalone turnover stood at Rs.2,741.77 Mln. in the FY 2023-24, as against previous year's turnover of Rs.2,478.15 Mln. The standalone Profit/(Loss) after tax for the FY 2023-24 was at Rs.(1,131.70) Mln. as against Rs.(1,130.05) Mln. for the previous year. The standalone earnings per share improved to Rs.(32.05) for the year, as against Rs.(35.84) for the previous year.

The global order booking dipped during the year by about 17% over the previous year, though the revenue improved marginally by 4%, due to increase mainly in revenue from software products.

FINANCIAL HIGHLIGHTS

Your Company's financial highlights for the year ended March 31, 2024 and March 31, 2023 are as follows:

(Rs. Mln.)

Particulars	For the year ended March 31					
	Standalone			Consolidated		
	2024	2023	Inc./ (Dec.)	2024	2023	Inc./ (Dec.)
Revenue from Operations	2,741.77	2,478.15	263.62	5,258.31	4,922.23	336.08
Total Income	2,756.67	2,538.57	218.10	5,298.93	4,977.32	321.61
Finance Cost	53.48	87.34	(33.86)	62.23	99.61	(37.38)
Depreciation, Amortization & Impairment	803.91	739.19	64.72	872.16	808.24	63.92
Total Expense	3,953.09	3,800.07	153.02	7,736.78	7,184.23	552.55
Profit before Interest, Tax & Depreciation (EBITDA)	(339.03)	(434.97)	(95.94)	(1,502.87)	(1,298.90)	203.97
Profit/(Loss) before Tax	(1,196.42)	(1,261.50)	(65.08)	(2,437.26)	(2,206.75)	230.51
Provision for Tax	(64.72)	(131.45)	(66.73)	(20.54)	(138.16)	(117.62)
Profit/(Loss) after Tax Attributable to Owners of the Parent	(1,131.70)	(1,130.05)	1.65	(2,419.32)	(2,068.40)	350.92

BUSINESS HIGHLIGHTS

In today's dynamic business landscape, the need for transformation has never been more pressing. At Ramco, we're committed to helping businesses drive transformation while maintaining a focus on operational efficiency. By leveraging cutting-edge technologies like artificial intelligence and machine learning, we empower organisations to streamline their operations and enhance productivity. Our solutions not only automate routine tasks but also provide valuable insights that enable smarter decision-making and drive continuous improvement.

Moreover, we understand the importance of staying current with technology trends and continuously modernising our platforms. By embracing the latest advancements in software development and infrastructure, we ensure that our solutions remain agile, scalable, and future-proof. This focus on tech modernisation enables us to deliver innovative solutions that meet the evolving needs of businesses and drive results. Together, we're not just building the future; we're shaping it with operational excellence and cutting-edge technology at the core.

A detailed review of operations of the various Business Units has already been covered under business review portion of this Annual Report.

Board's Report (Contd.)

DIVIDEND AND APPROPRIATIONS

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "SEBI LODR") the Board approved and adopted the Dividend Distribution Policy and the same is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Dividend%20Distribution%20Policy/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

Your Directors have not recommend any dividend for the FY 2023-24. Hence no appropriations have been made to general reserves.

FUND RAISING / UTILISATION OF FUNDS

The Board in its Meeting held on December 22, 2022 had approved Preferential Issue of Equity Shares and Warrants Fully Convertible into Equity Shares each at a price of Rs.274, aggregating to Rs.1,600 Mln. The Members approved the same through Postal Ballot on January 21, 2023. The required consideration as below was received from the respective allottees and allotments of Equity Shares / Warrants Fully Convertible into Equity Shares ("Warrants") were made by the Board on February 01, 2023.

Sl. No.	Name of the Allottees	Category	Issue Size Rs. Mln.	Consideration received (Rs. Mln.)	Consideration received on	No. of. Securities Allotted
1.	Ramco Industries Limited	Promoter Group	450.00	450.00	January 27, 2023	1,642,335 equity shares
2.	Atyant Capital India Fund-I	Non-Promoter	375.00	375.00	January 25, 2023	1,368,613 equity shares
3.	Vanderbilt University	Non-Promoter	375.00	375.00	January 30, 2023	1,368,613 equity shares
4.	P R Venketrama Raja, Chairman	Promoter	400.00	100.00*	January 25, 2023	1,459,854 warrants
			1,600.00	1,300.00		

*Represents 25% of the total consideration received as upfront payment in respect of Warrants. Each Warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of Rs.10 (Rupee Ten only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration by the Allottee pursuant to exercise of conversion option against each such Warrant, within 18 months from the date of allotment of Warrants, failing which the upfront payment made will be forfeited.

The objects of the preferential issue and status of funds utilised are as given below:

(Rs. Mln.)

Sl. No.	Objects of the Issue	Amount to be utilised	Amount Utilised till March 31, 2024
1.	Repayment, of all or a portion of certain outstanding borrowings including interest thereon	920-1000	975
2.	Sales & Marketing expenses	100	100
3.	Capex expenditure towards tangible & intangible assets	200	200
4.	General Corporate Purposes	320-380	25
	Total	1,600	1,300

Thus, out of Rs.1,300 Mln. raised, the entire proceeds were fully utilised for the objects of the issue as on March 31, 2024. Actual unutilised proceeds are Nil.

ICRA Limited has been appointed as the Monitoring Agency for monitoring the utilisation of the proceeds. Your Company is utilising the proceeds for the objects for which it is raised and there are no deviations.

Board's Report (Contd.)

CAPITAL STRUCTURE

During the year, the issued and paid up capital of the Company has increased upon exercise of stock options by various option grantees and allotment of shares pursuant to the same. The issued and subscribed capital of the Company stood at Rs.357.69 Mln. and paid up capital stood at Rs.354.55 Mln. as on March 31, 2024 as against Rs.355.77 Mln. and Rs.352.63 Mln. respectively as at the end of the previous year. The Securities Premium has also increased to Rs.7,905.27 Mln. from Rs.7,842.33 Mln. and other than this, the Company has not made any fresh issue of shares.

The number of shares and date on which such allotments were made by the Company under various Employee Stock Option Schemes ("ESOS") are given below:

Particulars	No. of equity shares (face value of Rs.10 per share)
Paid up Opening as at April 01, 2023	35,227,756
May 17, 2023	12,089
July 21, 2023	43,135
September 27, 2023	21,018
November 27, 2023	51,174
February 07, 2024	48,099
March 19, 2024	16,450
Paid up Closing as at March 31, 2024	35,419,721

The shares so allotted rank pari-passu with the existing share capital of the Company.

DEPOSITORY SYSTEM

Your Company's shares are in compulsorily tradable securities in electronic form. As on March 31, 2024, 99.72% of the Company's total paid up shares are in dematerialised form. To avoid fraud/delicacy of shares, the Members holding shares in physical mode are advised to demat the shares.

CREDIT RATING

During the year, ICRA Limited had revised the ratings in respect of bank facilities as below:

(Rs. Mln.)

Facilities	Limits	Existing Rating	Revised Rating on June 30, 2023	Revised Rating on November 08, 2023
Long term Fund based/CC (Downgraded)	350	A (Negative)	A - (Negative)	BBB+ (Negative)
Short term fund based facilities (Downgraded)	1,375	A2+	A2+	A2
Short term non-fund based facilities (Downgraded)	305	A2+	A2+	A2
Unallocated (Downgraded)	115	A (Negative)/A2+	A - (Negative)/A2+	BBB+ (Negative)/A2
Total	2,145			

The outlook on the long-term rating continues to be Negative.

Annual surveillance by ICRA Limited for the renewal of the ratings in respect of the banking facilities is in progress. Pending this, the ratings vide ICRA's letter dated November 08, 2023 as given above are live.

The details of said rating is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/Intimation-Of-CreditRating-08-11-2023.pdf>

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with Regulation 34 of SEBI LODR, the Management Discussion and Analysis (MDNA) Report is set out in this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of amendment to Regulation 34 (2) (f) of SEBI LODR, reporting of Business Responsibility and Sustainability Report (BRSR) shall be mandatory for the top 1000 listed companies (by market capitalisation).

As per the Market capitalisation list issued by BSE and NSE as on March 31, 2024, the Company falls in 1269th position in BSE and 1206th Position in NSE. The BRSR includes details on performance against the nine principles of the National Guidelines on Responsible Business Conduct and a report under each principle, which is divided into essential

Board's Report (Contd.)

and leadership indicators. Though the Company is not falling under top 1000 companies, BRSR is being published as per Regulation 3(2) of SEBI LODR which states that “the provisions of SEBI LODR Regulations which become applicable to listed entities on the basis of market capitalisation criteria, shall continue to apply to such entities even if they fall below such thresholds” and also a matter of good governance. Accordingly, the BRSR is set out in this Annual Report.

INFORMATION ON SUBSIDIARIES AND ASSOCIATE

Your Company has Nineteen (19) subsidiaries and One (1) associate entity as on March 31, 2024. In accordance with Section 129(3) of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of our subsidiaries and associate and their contribution to the overall performance of the Company are available in Form AOC-1 and the same is enclosed as Annexure I to the Board's Report. Statutory group information is provided under Note no. 34 to the consolidated financial statements. In accordance with Regulation 46(2)(s) of SEBI LODR, separate audited/ reviewed financial statements of the above subsidiary companies are placed on the website of the Company.

The Audit Committee reviews the financial statements of subsidiaries, including the investments made in the subsidiaries, on a quarterly basis and minutes of the Meetings of the subsidiary are placed in the Board Meetings.

- a. During the year, the Company had incorporated a wholly owned subsidiary in the South Korea in the name “Ramco System Korea Company Limited” on November 13, 2023.
- b. As on March 31, 2024, the Company has 5 overseas branch offices – in UK, Germany, UAE, Australia and Spain.
- c. As on March 31, 2024, the Company's subsidiaries in Australia and Singapore have overseas branch office in New Zealand and Hong Kong respectively.

Material Subsidiaries

Based on the financials of FY 2022-23, Ramco Systems Corporation, USA, and Ramco Systems Australia Pty Ltd., Australia, were identified as material subsidiaries for the FY 2023-24 in accordance with Regulation 16(1) of SEBI LODR.

Based on the financials of FY 2023-24, Ramco Systems Corporation, USA, Ramco Systems Pty Ltd, Australia, Ramco Systems Pte. Ltd, Singapore and Ramco Systems Ltd,

Switzerland were identified as material subsidiaries for the FY 2024-25 in accordance with Regulation 16(1) of SEBI LODR.

Of these material subsidiaries, for both FY 2023-24 and FY 2024-25, Ramco Systems Corporation, USA was considered as a material subsidiary in accordance with Regulation 24 of SEBI LODR, warranting the appointment of an Independent Director of the Company in that subsidiary, since the income/net worth of Ramco Systems Corporation, USA, is more than 20% of the Consolidated income/ net worth. Hence Mr. M M Venkatachalam, Non-Executive Independent Director was already appointed as a Director in Ramco Systems Corporation, USA on May 22, 2019 to comply with the said Regulation. Since he retired on March 31, 2024, after completing his two consecutive term five years each in the Company, he consequently resigned from the Board of Ramco USA. In his place, Justice P P S Janarthana Raja (Retd.) Non-Executive Independent Director was nominated by the Board of Directors of the Company in its meeting held on February 07, 2024. Accordingly, Justice P P S Janarthana Raja (Retd.) was appointed in the Board of Ramco Systems Corporation, USA from March 31, 2024. He continues to be a Director of that subsidiary, thus fulfilling the requirements.

In accordance with Regulation 46(2) of SEBI LODR, the policy for determining material subsidiaries formulated by the Board is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Material%20Subsidiary%20Policy/ramco-material-subsubsidiary-policy.pdf> .

Consolidated Financial Statements

In accordance with Section 129(3) of the Act and Regulation 33 and 34 of SEBI LODR, the consolidated financial statements incorporating the accounts of subsidiary companies and associate company along with the Auditors' Report thereon are set out in this Annual Report and are available at the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/annual-reports> .

In accordance with Section 136(1) of the Act, separate audited / reviewed accounts in respect of the subsidiary companies are also made available at the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/annual-reports#SubsidiaryFinancials> .

These financial statements of the Company and the subsidiary companies will also be kept open for inspection by Members. The Company shall provide a copy of the same to any Member of the Company who asks for it.

Board's Report (Contd.)

BOARD OF DIRECTORS

As on March 31, 2024, your Board comprises of ten (10) Directors, out of which, six (6) are Independent Directors including an Independent Woman Director, three (3) Non-Executive Non-Independent Directors and an Executive Director. Mr. P R Venketrama Raja, (DIN:00331406), Chairman of the Board is a Non-Executive Non-Independent Director and Promoter and Mr. P V Abinav Ramasubramaniam Raja (DIN:07273249), Manager designated as Whole Time Director, belongs to Promoter Group.

During the year, the following appointment / re-appointment / resignation of Directors took place:

- a. Retirement by rotation and re-appointment of Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director (DIN: 00693181).
- b. Re-Appointment of Justice P P S Janarthana Raja (DIN: 06702871) and appointment of Dr. M S Krishnan (DIN:08539017) and Dr. Aravind Srinivasan (DIN: 00088037) as Non-Executive Independent Directors.
- c. Mr. R S Agarwal (DIN: 00012594) and Mr. M M Venkatachalam (DIN: 00152619), Non-Executive Independent Directors retired on March 31, 2024, after completing their two consecutive term of five (5) years each in office.

The Members at the 22nd AGM held on August 10, 2022, approved the re-appointment of Mr. P V Abinav Ramasubramaniam Raja as a whole time key managerial personnel in the position of Manager, with the designation as Whole Time Director of the Company for a period 2 years commencing from June 04, 2022 to June 03, 2024. The currency of his tenure is till June 03, 2024. Subsequent to the close of FY 2023-24, on the recommendation of Nomination and Remuneration Committee (NRC), the Board at its Meeting held on May 21, 2024 had reviewed and re-appointed Mr. P V Abinav Ramasubramaniam Raja as a Director & whole time key managerial personnel, in the position of Manager with the Designation as Whole Time Director for a period 3 years commencing from June 04, 2024 to June 03, 2027 subject to the approval of Members at the ensuing 27th Annual General Meeting ("AGM"). Terms and Conditions of appointment, profile and other required details to be disclosed as per the Secretarial Standards, Act and SEBI LODR are provided in the explanatory statement to the notice of AGM.

The Company had formulated a Code of Conduct for the Directors and Senior Management Personnel and the same has

been complied with. The Board at its Meeting held on February 07, 2024 had reviewed, amended the said Code and the same is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Code%20of%20Conduct%20and%20Business%20Ethics/code-of-conduct-business-ethics.pdf> .

Retirement by Rotation and Re-Appointment

In accordance with Section 152(6) of the Act and Articles of Association of the Company, Mr. Sankar Krishnan, Director (DIN: 01597033) retires by rotation and being eligible, offers himself for re-appointment at the ensuing AGM of the Company.

A brief resume of the Director being re-appointed, the nature of expertise in specific functional areas, names of companies in which he holds Directorships, Committee Memberships/ Chairpersonships, his shareholding in the Company etc., have been furnished in the explanatory statement to the notice of the ensuing AGM.

Independent Directors

The Independent Directors hold office for a fixed term of 5 years from the date of their appointment and not liable to retire by rotation.

The Company has received the necessary declaration as laid down in Section 149(7) of the Act from all the Independent Directors confirming that they meet the criteria of independence as provided in Section 149(6) of the Act and SEBI LODR. Independent Directors have also complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

In accordance with Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has received declarations from Independent Directors confirming that they have registered with the Independent Directors Data Bank through Indian Institute of Corporate Affairs ("IICA"). Amongst them, Mr. M M Venkatachalam, Mr. R S Agarwal, Justice P P S Janarthana Raja (Retd.) and Dr. Aravind Srinivasan have been exempted from passing the online proficiency self-assessment test conducted by IICA. Mrs. Soundara Kumar and Dr. M S Krishnan had passed the proficiency self- assessment test.

Justice P P S Janarthana Raja (Retd.) (DIN:06702871) was appointed as an Independent Director for a period of five (5) years from August 29, 2018 to August 28, 2023. He was eligible for re-appointment. During the year, based on the recommendation of Nomination and Remuneration Committee ("NRC"), the Board in its Meeting held on May 17, 2023 has evaluated the

Board's Report (Contd.)

performance of the said Independent Director based on the contribution of the Director and have recommended his re-appointment for another term of five (5) years from August 29, 2023 to August 28, 2028. In accordance with Section 149(10) of the Act, approval of the Members through special resolution was obtained in the 26th AGM held on August 10, 2023.

During the year, based on the recommendation of NRC, the Board in its Meeting held on February 07, 2024 had appointed Dr. M S Krishnan (DIN: 08539017) and Dr. Aravind Srinivasan (DIN: 00088037) as Additional Directors in the category of Non-Executive Independent Directors for a period of five (5) consecutive years from the date of their appointment i.e, February 07, 2024 subject to the approval of Members through special resolution. Subsequently, approval of the Members by way of special resolution through Postal Ballot was obtained on March 14, 2024.

The Company had issued letter of appointment in accordance with Regulation 46 of the SEBI LODR and the terms and conditions of appointment of Independent Directors are available at the Company's website, at the following weblink: <https://f.hubspotusercontent20.net/hubfs/494075/independent-directors-terms-of-appointment.pdf> .

Information on familiarisation program to Independent Directors are provided in the Corporate Governance Report Section of this Annual Report.

Details of Remuneration to Directors

Details as required under the Act, in respect of remuneration paid to Directors, are given in Corporate Governance Section of this Annual Report and in the Annual Return uploaded in the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/annual-return/> .

Number of Meetings of the Board

Your Board met five (5) times during the FY 2023-24 on May 17, 2023, July 03, 2023, August 07, 2023, October 30, 2023 and February 07, 2024 and further details on this aspect are given in the Corporate Governance Section of this Annual Report. The maximum time gap between any of the two consecutive Meetings was not more than one hundred and twenty (120) days.

Board Committees

The Board had following Committees during the FY 2023-24:

- a. Audit Committee
- b. Stakeholders Relationship Committee
- c. Nomination and Remuneration Committee

- d. Corporate Social Responsibility Committee
- e. Allotment Committee (since dissolved w.e.f. April 01, 2024)
- f. Risk Management Committee
- g. Fund Raising Committee

In accordance with the requirement of Section 177(8) of the Act, it is hereby disclosed that the Audit Committee comprises of Mrs. Soundara Kumar, Chairperson of the Committee, Mr. M M Venkatachalam, Mr. A V Dharmakrishnan, Mr. Sankar Krishnan, Mr. R S Agarwal and Justice P P S Janarthana Raja (Retd.).

Mr. M M Venkatachalam and Mr. R S Agarwal have ceased to be the Members of the Audit Committee from the close of business hours of March 31, 2024. Dr. M S Krishnan and Dr. Aravind Srinivasan are inducted as Members of the Audit Committee w.e.f. April 01, 2024.

A detailed note on the attendance, composition of the Board and Committees along with other disclosures are provided in the Corporate Governance Report Section of this Annual Report.

Meetings of Board and Committees held during the year are in compliance with the Act & SEBI LODR read with circulars and notifications issued by Ministry of Corporate Affairs and SEBI in this regard.

Diversity

Your Company recognises the importance of a diverse Board for its success and believes that a diverse Board will leverage inter alia differences in thought, skills and industry experience, which in the long run will enhance shareholder value.

Board Evaluation

In accordance with the provisions of the Act and SEBI LODR, Board has carried out a separate exercise to evaluate the performance of the Board as a whole, its Committees and individual Directors by taking into account the criteria laid down in this regard by the NRC like attendance, expertise, contribution etc., brought in by the Directors at the Board and Committee Meetings and found it satisfactory, which shall be taken into account at the time of reappointment of Independent Director.

A structured questionnaire was prepared covering various aspects including the following but not limited to adequacy of the composition of the Board and its Committees, flow of information, Board culture/Diversity, execution and performance of specific duties, obligations and governance.

In accordance with Regulation 25(4) of the SEBI LODR, Independent Directors have evaluated the performance of Chairman, Non-Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of the flow of

Board's Report (Contd.)

information between the Management and the Board and other required matters.

In accordance with Regulation 17(10) of SEBI LODR, the Board of Directors has evaluated the performance of Independent Directors and observed the same to be satisfactory and their deliberations are beneficial in Board / Committee Meetings.

In accordance with Regulation 4(2) of SEBI LODR, the Board of Directors have reviewed and observed that the evaluation framework of the Board of Directors was adequate and effective.

The Board's observations on the evaluations for the year under review carried on May 21, 2024 were similar to their observations of the previous years. No specific actions have been warranted based on current year observations. The Company would continue to familiarise its Directors on the industry, information security, technological and statutory developments, which have a bearing on the Company and the industry, so that Directors would be effective in discharging their expected duties.

Policy on Directors' Appointment and Policy on Remuneration

In accordance with Section 134 and 178 of the Act, the Policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, KMP and other employees are outlined as part of Nomination and Remuneration Policy of the Company and salient features of the same are disclosed in this report. NRC of your Board had fixed the criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limit, qualification/experience, areas of expertise and independence of the individual.

Your Company's current policy is to have an appropriate mix of Independent and Non-Independent Directors to maintain the independence of the Board and separate its functions of governance and management.

Remuneration Policy

In accordance with Section 178 of the Act, the NRC of your Board has formulated the Nomination and Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel and other employees of your Company. The Nomination and Remuneration Policy ensures that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long-term goals of the Company.

The NRC has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to Executive and Independent

Directors of the Company. It recommends to the Board the compensation payable to Directors. Director's compensation are within the limits prescribed under the Act and approved by the Members of the Company where required.

Your Company follows a compensation mix of fixed pay, benefits and performance based variable pay for its employees, which is based on the performance of the business and the individual performance of the individuals is measured through annual appraisal process.

The Whole Time Director was paid a fixed monthly remuneration in the form of fees for professional services. This is in addition to entitlement of sitting fee for attending the Meetings. Non-Executive Directors are paid remuneration by way of sitting fees based on their participation in the Meetings. Remuneration paid to Directors is within the scale approved by the Board and Members, subject to overall ceilings stipulated under Section 197 of the Act. Sitting fees paid to Directors for attending the Board Meeting, Audit Committee and Independent Directors Meetings.

In accordance with Section 178(4), the salient features of the Nomination and Remuneration Policy should be disclosed in the Board's Report. The objective of the Policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, Key Managerial Personnel and Senior Management shall be appropriate to the working of the Company and its goals; and
- Any other functions as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, are carried out.

The said Policy and composition of the NRC are in compliance with the Act and SEBI LODR. The responsibilities of Compensation Committee as defined in SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, have been assigned to NRC. During the year, the Board had reviewed and amended the Nomination and Remuneration Policy on February 07, 2024 and the said policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Nomination%20and%20Remuneration%20Policy/ramco-nomination-and-remuneration-policy.pdf> .

Board's Report (Contd.)

KEY MANAGERIAL PERSONNEL

On July 03, 2023 Mr. Subramanian Sundaresan ('Sunder Subramanian') was appointed as Chief Executive Officer of the Company. Except this, there is no change in the list of Key Managerial Personnel (KMP).

KMPs of your Company as on March 31, 2024 are as follows:

Mr. P V Abinav Ramasubramaniam Raja, Whole Time Director

Mr. Subramanian Sundaresan, Chief Executive Officer

Mr. R Ravi Kula Chandran, Chief Financial Officer

Mr. Vijayaraghavan N E, Company Secretary and Compliance Officer

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a. that the financial statements for the year ended March 31, 2024 have been prepared in conformity with Indian Accounting Standards (Ind AS) and requirements of the Act and that of guidelines issued by SEBI, to the extent applicable to the Company along with proper explanation relating to material departures;
- b. they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the loss of the Company for the year ended on that date;
- c. they had taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they had prepared the annual accounts on a going concern basis;
- e. they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Corporate Governance is a process that aims to allocate corporate resources in a manner that maximises value for all Stakeholders.

Your Company is committed to maintain the highest standards of Corporate Governance. Your Company places high emphasis on business ethics and ensures best practices throughout the business and in its disclosures. Your Director's always strive to follow good Corporate Governance practices in the Company to enhance long term shareholder value. Corporate Governance Report for the FY 2023-24 is set out in this Annual Report.

The requisite certificate from the Secretarial Auditors confirming compliance with the conditions of Corporate Governance as stipulated under SEBI LODR is annexed to the Corporate Governance Report.

Secretarial Compliance Report on applicable compliances of SEBI Circular, Notifications and Regulations etc., issued by Secretarial Auditors being filed before the due date with stock exchanges in the prescribed format.

EQUAL OPPORTUNITY

Your Company believes in transparency and providing equal opportunities in the employment. Your Company's offices across the globe have multi-cultural and multi-national employees. Your Company prevents harassment of any kind based on age, gender, race or any other basis protected by law.

The Company has a Policy on Prevention and Redressal of Sexual Harassment ("POSH") in place in accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the FY 2023-24, Committee composition was revised and Ms. Lovina Monis was appointed as the presiding officer with effect from September 21, 2023 and the required changes were made in POSH policy of the Company. During the FY 2023-24, no complaint was received and no complaint was pending for disposal as on March 31, 2024.

In accordance with Rule 8(5) of Companies (Accounts) Rules, 2014, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

EMPLOYEES STOCK OPTION SCHEME (ESOS)

The growth of the Company has, in large measure, been possible owing to the wholehearted support, commitment and teamwork of its personnel. Accordingly, the Company had instituted various Employee Stock Option Plans / Schemes (ESOP / ESOS) for the benefit of employees:

- (A) Employee Stock Option Plan, 2000 (ESOP 2000)
- (B) Employee Stock Option Scheme, 2003 (ESOS 2003)
- (C) Employee Stock Option Scheme, 2004 (ESOS 2004)

Board's Report (Contd.)

- (D) Employee Stock Option Scheme, 2008 (ESOS 2008)
- (E) Employee Stock Option Scheme, 2009 - Plan A (ESOS 2009 - Plan A)
- (F) Employee Stock Option Scheme, 2009 - Plan B (ESOS 2009 - Plan B)
- (G) Employee Stock Option Scheme, 2013 (ESOS 2013)
- (H) Employee Stock Option Scheme, 2014 (ESOS 2014) and
- (I) Employee Stock Option Scheme, 2022 (ESOS 2022)

During the year, 191,965 options were exercised in 6 tranches by eligible employees/option grantees of the Company and its subsidiaries under ESOS 2008, ESOS 2013, ESOS 2014 and ESOS 2022 schemes of the Company.

During the year, the following options were granted to employees/option grantees:

Scheme Name	No. of Options granted	Date of Grant of Options	Exercise Price in Rs.
ESOS 2022	25,000	July 03, 2023	10
ESOS 2022	25,000	July 03, 2023	160
ESOS 2022	75,000	August 07, 2023	10
ESOS 2022	75,000	August 07, 2023	160
ESOS 2022	54,000	February 07, 2024	10
ESOS 2022	54,000	February 07, 2024	160

No Option grantee was granted options/shares during the year, equal to or exceeding 1% of the issued capital.

It is confirmed that the Schemes of the Company are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The relevant disclosures in terms of the Act and in accordance with the said Regulations are enclosed as Annexure II to the Board's Report. The Company does not have any Scheme for issue of sweat equity to the employees or Directors of the Company. During the year, no ESOS were granted to Non-Executive Non-Independent Directors.

A certificate from Secretarial Auditors, with respect to implementation of the above Employee Stock Option Schemes in accordance with SEBI Regulations and the resolution passed by the Members of the Company, will be available electronically for inspection by the Members during the ensuing AGM and a copy of the same shall be available for inspection at the Corporate Office of the Company during normal business hours on any working day. The disclosure required to be made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available in the Company's website, at the following weblink: <https://www.ramco.com/periodic-compliances#OtherCompliances>.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors, KMP and Employees in accordance with Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as Annexure III to the Board's Report.

The statement containing names of the top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure forming part of this report.

However, the Annual Report is being sent to the Members, excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection. Any Member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

INTEGRATED REPORT

Your Company has voluntarily provided this Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well-informed decisions and have a better understanding of the Company's perspective. The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the five forms of capital viz. financial capital, intellectual capital, human capital, social capital and natural capital.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

In accordance with Section 134(5) of the Act, the Company has Internal Financial Controls by means of policies and procedures commensurate with size and nature of operations. The Company's policies, procedures and standards are developed

Board's Report (Contd.)

to uphold internal controls across the organisation. These controls ensure transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorised use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of Internal Financial controls. The controls were tested during the year and no material weakness exists.

Audit Committee of the Board periodically reviews the internal audit plans and observations/recommendations of Internal and Statutory Auditors. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

RISK MANAGEMENT

In accordance with Regulation 21(5) of SEBI LODR read with SEBI notification dated May 05, 2021, Board has constituted the Risk Management Committee. A detailed note on the attendance, composition of the Committee along with other details are provided in the Corporate Governance Report Section of this Annual Report.

In accordance with Section 134(3)(n) of the Act and Regulation 17(9) of SEBI LODR, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimisation of risk thereof. The said policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Risk%20Management%20Policy/Risk-Management-Policy.pdf>. Details on the Company's risk management framework/strategy also further discussed in the Company's MDNA. In the opinion of the Board, there is no element of risk which may threaten the existence of the Company/its operations.

RELATED PARTY TRANSACTIONS (RPT)

The Company has formulated a policy on materiality of RPT and also on dealing with RPT. The said policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Related%20Party%20Transaction%20Policy/ramco-related-party-transaction-policy.pdf>.

Prior approval / omnibus approval have been obtained from Audit Committee for all RPTs and these transactions are periodically placed before the Audit Committee for its review/approval. All RPTs that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no materially significant transactions with related parties during the year that may have potential conflict with the

interests of the Company at large or that requires approval of the Members. In accordance with Ind AS 24, the details of the transactions with the related parties are set out in the notes to financial statements.

AUDITORS

Statutory Auditor

Your Company at its 25th AGM held on August 10, 2022 had re-appointed M S Jagannathan & N Krishnaswami, Chartered Accountants, (FRN:001208S) as the Statutory Auditors of the Company for a second term of 5 consecutive financial years commencing from FY 2022-23 to FY 2026-27 to hold office from the conclusion of 25th AGM till the conclusion of the 30th AGM of the Company to be held in the year 2027.

In accordance with Sections 139 and 141 of the Act and relevant Rules prescribed there under, the Company has received certificate from the Statutory Auditors to the effect that they are eligible to continue as Auditors. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

Details of fees paid to Statutory Auditor is disclosed in Corporate Governance Report set out in this report.

Internal Auditor

Your Board on the recommendation of Audit Committee at its Meeting held on May 17, 2023 had re-appointed M/s. SRSV & Associates, Chartered Accountants, (FRN:015041S), Chennai as the Internal Auditors of the Company and approved the internal audit fees to conduct Internal Audit for the FY 2023-24. The Internal Auditors reports directly to the Audit Committee and make presentations at the Audit Committee Meeting(s) on the Internal Audit Report.

In accordance with Sections 138 and 141 of the Act and relevant Rules prescribed thereunder the Company has received certificate from the Internal Auditors to the effect that they are eligible to continue as Internal Auditors.

Your Board on the recommendation of Audit Committee at its Meeting held on May 21, 2024 has re-appointed M/s. SRSV & Associates, Chartered Accountants (FRN:015041S), Chennai as the Internal Auditors of the Company for the FY 2024-25.

Secretarial Auditor

Your Board at its Meeting held on May 17, 2023 had re-appointed M/s. S.Krishnamurthy & Co., Company Secretaries, to conduct the Secretarial Audit of the Company for the FY 2023-24.

Board's Report (Contd.)

The Company had received required declarations/consents from the Secretarial Auditors confirming that they have been Peer Reviewed and are eligible to continue as Secretarial Auditors.

Your Board at its Meeting held on May 21, 2024 had re-appointed M/s. S.Krishnamurthy & Co., Company Secretaries, to conduct the Secretarial Audit of the Company for the FY 2024-25.

Cost Auditor

In accordance with Section 148 of the Act, maintenance of cost records and requirement of cost audit are not applicable to the business activity carried out by the Company.

Opinion/Reports

The Statutory Auditors, Secretarial Auditors and Internal Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including Rules made thereunder.

The Statutory Audit Report in the prescribed format issued by Statutory Auditors is provided in this Annual Report.

The Secretarial Auditor's Report in the prescribed format issued by the Secretarial Auditors is enclosed as Annexure IV to the Board's Report.

The Reports issued by them for the FY 2023-24, do not contain any qualifications, reservations or adverse remarks or disclaimers.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Act, the Board of Directors had constituted a CSR Committee and adopted a CSR Policy, in accordance with Schedule VII of the Act.

The CSR obligation for the FY 2023-24 does not arise, since the average profit of last three years was negative, as computed in accordance with Section 198 (Profit before tax) of the Act. The CSR spend during the FY 2023-24 in respect of the ongoing projects of the following previous years is as below:

- A. Your Company was required to spend Rs.14.43 Mln. towards CSR activities during FY 2021-22.
 - Upon recommendation of CSR Committee, Board had approved to contribute the CSR spend for the FY 2021-22 to "Auroville Foundation" for its Botanical Gardens Unit for "Conservation of the Tropical Dry Evergreen Forest of South India" (TDEF) – an ongoing project.

- Rs.2.00 Mln. were spent for the above said activity in March 2022 and then balance Rs.12.43 Mln. was transferred to a special bank account "Ramco Systems Limited - Unspent CSR Account FY 2021-22" in April 2022 since it is an Ongoing project.
 - The intent is to make the contribution, depending upon the project progress, submission of progress reports by the agency and review thereof by the Company.
 - From the Unspent CSR A/C FY 2021-22, Rs.5.05 Mln. during FY 2022-23 and Rs.7.38 Mln. during the FY 2023-24 were spent in various tranches.
 - The CSR obligation for FY 2021-22 Rs.14.43 Mln. was fully met.
- B. Your Company was required to spend Rs.6.03 Mln. towards CSR activities during the FY 2022-23.
 - Upon recommendation of CSR Committee, Board had approved to contribute Rs.1.00 Mln. to "Auroville Foundation" for its Botanical Gardens Unit to run the entire energy needs of the gardens from alternative energy using solar and wind power.
 - The balance CSR amount to Ramasubrahmaneya Rajha Ramco Foundation (RRRF) towards Rajapalayam Town forming part of masterplan development under AMRUT scheme Guidelines of Tamil Nadu Government - an ongoing project.
 - During the FY 2022-23, Rs.1.00 Mln. was contributed to Auroville Foundation as mentioned above and Rs.0.50 Mln. was contributed to RRRF.
 - The intent is to make the contribution, depending upon the project progress, submission of progress reports by the agency and review thereof by the Company.
 - The unspent amount of Rs.4.53 Mln. has been transferred to a special bank account "Ramco Systems Limited - Unspent CSR Account FY 2022-23" in April 2023.
 - From the Unspent CSR A/C FY 2022-23, Rs.1.1 Mln was spent during the FY 2023-24 and
 - The balance amount available in Unspent CSR A/C FY 2022-23 is Rs.3.43 Mln.

Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy)

Board's Report (Contd.)

Rules, 2014 is enclosed as Annexure V to the Board's Report.

As on March 31, 2024, Your Company's CSR Committee comprises of Mr. P R Venketrama Raja, (DIN:00331406), Chairman, Mr. M M Venkatachalam (DIN:00152619), Director and Mr. A V Dharmakrishnan (DIN:00693181), Director. W.e.f. April 01, 2024, the composition of the Committee is Mr. P R Venketrama Raja, (DIN:00331406), Chairman, Justice P P S Janarthana Raja (Retd.) Director and Mr. Sankar Krishnan, Director. The Committee is responsible for formulating, monitoring and implementing the CSR policy of the Company.

In accordance with Section 135(4) of the Act, the major contents of CSR policy are as follows:

Concept: The Company's philosophy on CSR is that "as the organisation grows, the society and community around it should also grow."

Vision: The Company's vision is to contribute to the social and economic development of the communities in which it operates, resulting in building a better and sustainable way of life for the society at large.

Objectives: The objective of the CSR Policy is to:

- Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its Stakeholders.
- To generate, through its CSR initiatives, a community goodwill for RSL and help reinforce a positive & socially responsible image of RSL as a corporate entity.

Implementation Process:

The CSR initiatives shall be undertaken by the Company as per its stated CSR Policy as Projects or Programs or Activities (either new or ongoing).

The CSR activities may be undertaken through a registered trust or a registered society or a Company established by the Company or its subsidiary or associate Company or through any other trust, society or Company which shall have an established track record of 3 years in undertaking similar Programs or projects.

In addition to the above, CSR Policy also includes Applicability, Objectives, Areas of Initiatives, Budget, CSR Reporting etc., and the said policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Corporate%20Social%20Responsibility%20Policy/Corporate-Social-Responsibility-Policy.pdf>.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board in its meeting held on August 07, 2023, had designated Mr. Subramanian Sundaresan, Chief Executive Officer as Corporate Ombudsman under Whistle Blower Policy. In accordance with Section 177(9) and (10) of the Act and Regulation 22 of the SEBI LODR, the Company has established a Vigil Mechanism and has a Whistle Blower Policy and the same is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Whistle%20Blower%20Policy/ramco-whistle-blower-policy.pdf>.

Further disclosure/information about the Vigil Mechanism and Whistle Blower Policy are discussed in Corporate Governance Report Section of this Annual Report.

SUSTAINABILITY INITIATIVES

Your Company is in the space of providing technological solutions. Your Company's contribution towards sustainability is continuous in nature as is reflected throughout/forms an integral part of our business.

Ramco's ESG policy embodies our commitment to global impact, ethical standards, and sustainability. We integrate ESG considerations into our practices for success, employee well-being, and customer satisfaction. Aligned with UN Sustainable Development Goals, our policy focuses on environmental responsibility, social sustainability, and governance excellence. We reduce our carbon footprint, promote diversity, prioritise employee health, engage with communities, and maintain high standards of governance, ensuring transparency and accountability. Through our ESG Policy, Ramco drives positive change towards a sustainable future.

Your Company is future-ready by proactively encouraging Innovative thinking across the organisation and going digital.

OTHER DISCLOSURES

Deposits: During the year, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act and no deposits are outstanding as at the end of financial year;

Policy on Preservation of Documents and Archival of Documents: Policy framed in accordance with Regulation 9 read with Regulation 30(8) of SEBI LODR, is intended to provide guidelines for the retention of records and preservation of relevant documents for a duration after which the documents shall be archived. The said policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Policy%20on%20Preservation%20of%20Documents%20and%20Archival%20of%20Documents/Policy-on-Preservation-of-Documents-and-Archival-of-Documents.pdf>.

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Secretarial Standards: Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board / Committee and General Meetings;

Nature of Business: During the year, there was no change in nature of business of the Company or any of its subsidiaries;

Significant and Material Orders: During the year, there are no such orders passed by Regulators/Courts/Tribunals, impacting the going concern status and the Company's operations in future;

Loans, Guarantees or Investments: Disclosures on the same in accordance with Section 186(4) of the Act and SEBI LODR are provided under Note nos. 11.1, 12.1, 29 and 32 forming part of separate (standalone) financial statements;

Contracts or Arrangements with Related Parties: Particulars of the same as referred in Section 188(1) of the Act, in the prescribed Form AOC-2 is enclosed as Annexure VI to the Board's Report.

Annual Return: In accordance with Section 92(3) of the Act, read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/annual-return/>.

The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded at the same link on the Company's website once the same is filed with Ministry of Corporate Affairs after the AGM.

Conservation of Energy: The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3) of the Act, read with the Companies (Accounts) Rules, 2014, is enclosed as Annexure VII to the Board's Report;

Material Changes and Commitments: No material changes and commitments affecting the financial position of the Company occurred between April 01, 2024 and the date of signing this report.

Investor Education and Protection Fund (IEPF): In accordance with Section 124 of the Act, scenario for transfer of amount of unclaimed/unpaid dividend or corresponding shares to IEPF does not arise;

Committee Recommendations: During the year, recommendations of all the Committee constituted by the Board in accordance with the Act were accepted by the Board;

Differential Rights: The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;

Health, Safety and Environmental Protection: Your Company is committed to provide a safe, healthy and conducive environment to all of its employees and associates.

GREEN INITIATIVES

Your Company being in the industry of Information Technology, Green Initiative is embedded in the Company's culture and throughout its business operations.

Keeping next step towards a Greener Planet for future generations and in furtherance of digitisation Commitment to Go-Green initiative of the Government, the Company has digitalised internal communications with virtual Meetings through tele/audio/video conferencing and also using digital mechanism to conduct Board/Committee Meeting(s) as per the provisions of law, thereby it brings down the Meeting-related travel, usage of paper etc., to a limited purpose.

AWARDS AND RECOGNITIONS

Your Company continued its excellence in its chosen area of business to set a tone at the top. Rewards and recognition achieved by the Company globally during this year are provided under page no.47 of this Annual Report.

APPRECIATIONS

Your Directors place on record their appreciation for the contributions made by employees towards the success of your Company. Your Directors gratefully acknowledge the co-operation and support received from the Members, Customers, Vendors, Bankers, Regulatory/Governmental Authorities in India and abroad.

For and on Behalf of the Board
For **RAMCO SYSTEMS LIMITED**

Place : Rajapalayam
Date : May 21, 2024

P R VENKETRAMA RAJA
Chairman

INFORMATION WITH REGARD TO SUBSIDIARY COMPANIES / ASSOCIATES

FORM AOC-1 - In accordance with Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statements of subsidiaries and associate Company:

Part A - Subsidiaries:

Name of the subsidiary	Date of becoming subsidiary	Reporting Period	Reporting currency	Exchange Rate used (Rs. per unit of foreign currency)		Share Capital	Reserves and surplus	Total Assets	Total Liabilities (excluding Share Capital and Reserves and surplus)	Investments	Turnover	Profit / (Loss) Before Tax	Provision for Tax	Profit After Tax	Proposed dividend	% of shareholding
				B/S	P&L											
Ramco Systems Corporation, USA#	October 1, 1992	April 2023- March 2024	USD	82.93	82.27	105.74	1,610.76	2,432.18	715.68	788	1,101.79	97.58	24.59	72.99	-	98%
		April 2022- March 2023		81.72	79.67	105.74	1,513.65	2,349.26	729.87	788	966.48	15.90	0.45	15.45	-	
Ramco Systems Ltd., Switzerland#	July 28, 1995	April 2023- March 2024	CHF	90.88	91.96	29.33	288.45	369.58	51.80	-	97.62	35.32	6.07	29.25	-	100%
		April 2022- March 2023		88.67	82.99	29.33	252.81	330.64	48.50	-	71.24	29.68	5.05	24.63	-	
Ramco Systems Sdn. Bhd., Malaysia#	May 3, 1995	April 2023- March 2024	MYR	17.92	18.14	18.22	(581.20)	154.43	717.41	-	129.75	(185.36)	-	(185.36)	-	100%
		April 2022- March 2023		18.96	18.35	18.22	(418.50)	313.51	713.79	-	215.52	(136.67)	-	(136.67)	-	
Ramco Systems Pte. Ltd., Singapore#	October 17, 1995	April 2023- March 2024	SGD	61.21	60.88	1,511.74	(2,457.22)	976.95	1,922.43	-	648.74	(221.67)	-	(221.67)	-	100%
		April 2022- March 2023		61.21	57.66	1,511.74	(2,229.16)	1,242.41	1,959.83	-	487.91	(224.44)	-	(224.44)	-	
RSL Enterprise Solutions (Pty) Ltd., South Africa	October 10, 2002	April 2023- March 2024	ZAR	4.29	4.32	12.56	(2.38)	25.91	15.73	-	116.08	20.37	0.76	19.61	-	100%
		April 2022- March 2023		4.49	4.66	31.41	(25.31)	20.19	14.09	-	118.28	11.63	-	11.63	-	
Ramco Systems Canada Inc., Canada (100% subsidiary of Ramco Systems Corporation, USA)	November 3, 2016	April 2023- March 2024	CAD	60.76	60.61	0.43	52.60	186.07	133.04	-	79.87	15.72	1.60	14.12	-	98%
		April 2022- March 2023		60.06	60.07	0.43	37.94	82.40	44.03	-	46.60	(22.77)	-	(22.77)	-	
Ramco Systems FZ-LLC, Dubai	June 22, 2011	April 2023- March 2024	AED	22.13	21.95	0.62	(105.86)	214.77	320.01	-	394.12	(519.87)	-	(519.87)	-	100%
		April 2022- March 2023		21.81	21.26	0.62	411.19	835.01	423.20	-	410.10	(253.25)	-	(253.25)	-	
R S L Software Co. Ltd., Sudan	February 26, 2012	April 2023- March 2024	SDG	0.14	0.14	2.08	(2.63)	0.16	0.71	-	-	(1.89)	-	(1.89)	-	100%
		April 2022- March 2023		0.14	0.18	2.08	(0.75)	1.91	0.58	-	-	0.49	0.08	0.41	-	
Ramco Systems Australia Pty Ltd., Australia	August 20, 2012	April 2023- March 2024	AUD	53.60	53.61	1,063.17	(1809.62)	287.41	1,033.86	-	698.63	(201.57)	-	(201.57)	-	100%
		April 2022- March 2023		54.34	54.29	1,063.17	(1,615.11)	390.76	942.70	-	606.42	(248.22)	-	(248.22)	-	

Part A - Subsidiaries:

Name of the subsidiary	Date of becoming subsidiary	Reporting Period	Reporting currency	Exchange Rate used (Rs. per unit of foreign currency)		Share Capital	Reserves and surplus	Total Assets	Total Liabilities (excluding Share Capital and Reserves and surplus)	Investments	Turnover	Profit / (Loss) Before Tax	Provision for Tax	Profit After Tax	Proposed dividend	Rs. Mln.	% of shareholding
				B/S	P&L												
Ramco System Inc., Philippines	April 5, 2016	April 2023- March 2024	PHP	1.48	1.48	17.44	32.52	275.47	225.51	-	409.97	(94.96)	3.49	(98.45)	-	-	100%
		April 2022- March 2023		1.51	1.45	17.44	133.29	499.35	348.62	-	334.01	(57.49)	(12.38)	(45.11)	-	-	100%
Ramco Systems (Shanghai) Co. Ltd., China	November 3, 2016	April 2023- March 2024	CNY	11.39	11.46	10.41	(207.15)	23.86	220.60	-	30.60	(172.13)	-	(172.13)	-	-	100%
		April 2022- March 2023		11.86	11.59	10.41	(36.94)	87.33	113.86	-	35.11	(11.48)	-	(11.48)	-	-	100%
Ramco System Vietnam Company Limited, Vietnam	July 3, 2017	April 2023- March 2024	VND	0.0034	0.0035	23.91	(26.49)	8.47	11.05	-	10.84	2.07	-	2.07	-	-	100%
		April 2022- March 2023		0.0035	0.0034	23.91	(28.30)	4.39	8.78	-	2.90	(2.55)	-	(2.55)	-	-	100%
PT Ramco Systems Indonesia, Indonesia	October 11, 2017	April 2023- March 2024	IDR	0.0053	0.0054	55.40	(113.95)	10.08	68.63	-	25.38	(5.19)	-	(5.19)	-	-	100%
		April 2022- March 2023		0.0055	0.0053	55.40	(110.72)	19.83	75.15	-	14.67	(14.87)	-	(14.87)	-	-	100%
Ramco Systems Macao Limited, Macao (100% subsidiary of Ramco Systems Pte. Ltd., Singapore)	May 3, 2019	April 2023- March 2024	MOP	10.34	10.26	-	(1.43)	-	1.43	-	-	(0.33)	-	(0.33)	-	-	100%
		April 2022- March 2023		10.16	9.91	-	(1.08)	-	1.08	-	-	(0.27)	-	(0.27)	-	-	100%
Ramco Software Japan Limited, Japan	April 1, 2021	April 2023- March 2024	JPY	0.55	0.57	6.42	(73.80)	10.15	77.53	-	-	(34.21)	-	(34.21)	-	-	100%
		April 2022- March 2023		0.61	0.59	6.42	(45.23)	2.51	41.32	-	-	(35.39)	-	(35.39)	-	-	100%
Ramco Systems Defense and Security Incorporated, USA (100% subsidiary of Ramco Systems Corporation, USA)	November 1, 2021	April 2023- March 2024	USD	82.93	82.27	7.45	19.36	87.88	61.07	-	112.08	26.90	7.67	19.23	-	-	98%
		April 2022- March 2023		81.72	79.67	7.45	(0.15)	109.09	101.79	-	112.19	4.29	0.09	4.20	-	-	98%
Ramco System Korea Company Limited, South Korea	November 13, 2023	April 2023- March 2024	KRW	0.06	0.06	12.75	(2.84)	11.53	1.62	-	-	(2.21)	-	(2.21)	-	-	100%
		April 2022- March 2023		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	100%

Notes:

- The Company had incorporated Ramco System Korea Company Limited as a wholly owned subsidiary in South Korea during the FY 2023-24.
- The Company had incorporated Ramco Middle East for Information Technology, Saudi Arabia and Ramco System LLC, Qatar as wholly owned subsidiaries during the FY 2022-23 which are yet to commence the business Operations and share capital is yet to be infused.
- The subsidiaries marked with # were acquired from Ramco Industries Limited on January 28, 2000.

Name of the associate	Latest audited Balance Sheet Date	Date of becoming associate	Shares of associate held by the Company on the year end			Description on how there is significant influence	Reason why the associate is not consolidated	As per the latest Audited Balance Sheet as at February 29, 2024		Considered in consolidation	Rs. Mln. Not considered in consolidation
			No. of Shares	Amount of investment	Extent of Holding %			Net worth attributable to share holding	Profit / (Loss) for the year		
CityWorks (Pty.) Ltd., South Africa	February 29, 2024	February 5, 2004	600	0.003	30%	By virtue of Shareholding	Not Applicable	17.13	1.97	0.59	1.38

As per our report annexed

For M S JAGANNATHAN & N KRISHNASWAMI

Chartered Accountants
Firm Registration No.: 001208S

K SRINIVASAN

Partner
Membership No.: 021510

Place: Chennai

Date: May 21, 2024

P R VENKETRAMA RAJA

Chairman
Rajapalayam

P V ABINAV RAMASUBRAMANIAM RAJA

Whole Time Director

R RAVI KULA CHANDRAN

Chief Financial Officer

SOUNDARA KUMAR

Director
Coimbatore

SUBRAMANIAN SUNDARESAN

Chief Executive Officer

N E VIJAYARAGHAVAN

Company Secretary

DISCLOSURE MADE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

DETAILS OF EMPLOYEE STOCK OPTION PLANS / SCHEMES

The Company had instituted various Employee Stock Option Plans / Schemes (ESOP / ESOS) for the benefit of eligible persons, with the following objectives:

- Encourage employees to continue contributing to the success and growth of the organization;
- Attract, retain and motivate employees;
- Create a sense of ownership within the organization;
- Encourage and align the interest and performance of the employees with those of the organization;
- Reward employees with ownership in proportion to their contribution;

In line with the above, various ESOP / ESOS Schemes have been formulated by the Company, which are given below:

I. Expired Schemes

- i. Employee Stock Option Plan, 2000 (ESOP 2000)
- ii. Employee Stock Option Scheme, 2003 (ESOS 2003)
- iii. Employee Stock Option Scheme, 2004 (ESOS 2004)

II. Live Schemes

- (A) Employee Stock Option Scheme, 2008 (ESOS 2008)
- (B) Employee Stock Option Scheme, 2009 – Plan A (ESOS 2009 – Plan A)

(C) Employee Stock Option Scheme, 2009 – Plan B (ESOS 2009 – Plan B)

(D) Employee Stock Option Scheme, 2013 (ESOS 2013)

(E) Employee Stock Option Scheme, 2014 (ESOS 2014) and

(F) Employee Stock Option Scheme, 2022 (ESOS 2022)

Details of the live schemes are given below:

A. Employee Stock Option Scheme, 2008 (ESOS 2008):

At the Extra-Ordinary General Meeting held on September 18, 2008, the Members had approved, an issue of 1,200,000 stock options convertible into equity shares of Rs.10 each. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed a detailed scheme in this regard. The options granted have a vesting period of 4 years and exercise period of 10 years from the date of the vesting of the final lot. The options other than those vested in the first lot shall vest on a Quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant.

Date of the Meeting	No. of options granted	Price per option (Rs.)
June 25, 2012	50,000	143 per share
August 23, 2012	25,000	138 per share
November 07, 2012	50,000	125 per share
July 29, 2013	95,000	87 per share
March 07, 2014	65,000	241 per share
March 27, 2014	20,000	204 per share

Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:

Plan	Original Price (Rs.)	No. of options outstanding on April 23, 2014	Revised Price (Rs.)	Revised No. of options
ESOS 2008	53	291,023	51	305,306
	87	95,000	83	99,670
	125	50,000	119	52,458
	138	25,000	132	26,229
	143	50,000	136	52,458
	204	20,000	194	20,983
	241	65,000	230	68,195

Details of options vested, exercised, lapsed etc. during the year for ESOS 2008 are given in Table 1 – “Option movement during the FY 2023-24” at the end of this Annexure.

B. Employee Stock Option Scheme, 2009 – Plan A (ESOS 2009 – Plan A) and Employee Stock Option Scheme, 2009 – Plan B (ESOS 2009 – Plan B):

ESOS 2009 – Plan A:

The Members at the Twelfth AGM held on August 05, 2009, have approved, an issue of 500,000 options convertible into equity shares of Rs.10 each with the number of options that could be granted to the Non-Executive Non-Independent Directors of the Company not exceeding 20,000 options per year and 100,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

At the Meeting of the Compensation Committee held on October 27, 2009, 20,000 stock options were granted to Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director of the Company, at an exercise price of Rs.98 per share. Further 20,000 options were granted at the Meeting of the Compensation Committee held on December 22, 2011 at an exercise price of Rs.61 per share with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

At the Meeting of the Compensation Committee held on March 02, 2010, 382,220 stock options were granted to the eligible employees, at an exercise price of Rs.94 per option.

During the FY 2012-13, the Compensation Committee amended the key features of the ESOS 2009 – Plan A under the powers granted by the Members resolution passed on August 05, 2009. As per this, the Compensation Committee can fix the terms and conditions regarding vesting period and vesting pattern at the time of each grant under the Scheme.

Further to this, the Compensation Committee granted further 130,000 options to eligible employees of the Company on May 17, 2012. Out of the 130,000 options, 60,000 options were granted to Mr. Virender Aggarwal, the then CEO of the Company (ceased to be in the employment with effect from November 12, 2021), at an exercise price of Rs.115 per share, having a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot. The options other than those vested in the first lot shall vest on a quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant. 20,000 options were granted to Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director of the Company, at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting. The remaining 50,000 options were granted to an eligible employee at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting.

During the FY 2013-14, the Compensation Committee granted 5,000 options on May 31, 2013 at an exercise price of Rs.10 per share to Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director of the Company with a vesting period of 1 year and an exercise period of 10 years from the date of vesting.

During the FY 2014-15, the Compensation Committee granted the following stock options on August 08, 2014 with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. Virender Aggarwal, the then CEO	356	25,000
Other employees	356	105,000

Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:

Plan	Original price (Rs.)	No. of options outstanding on April 23, 2014	Revised price (Rs.)	Revised no. of options
ESOS 2009 – Plan A	10	25,000	10	25,000
	61	20,000	58	20,983
	94	191,431	90	200,878
	98	20,000	93	20,983
	115	60,000	110	62,949

Details of options vested, exercised, lapsed etc., during the year for ESOS 2009 Plan - A are given in Table 1 – “Option movement during the FY 2023-24,” at the end of this Annexure.

ESOS 2009 – Plan B:

The Members at the Twelfth AGM held on August 05, 2009, have approved, an issue of 750,000 options convertible into equity shares of Rs.10 each with the number of options that could be granted to the Non-Executive Non-Independent Directors of the Company not exceeding 25,000 options per year and 150,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

At the Meeting of the Compensation Committee held on March 02, 2010, 573,330, options were granted to the eligible employees, at an exercise price of Rs.94 per share. The options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot. The options other than those vested in the first lot shall vest on a quarterly basis. The options under the first lot shall vest at the end of one year from the date of grant.

During the FY 2012-13, the Compensation Committee amended the key features of the ESOS 2009 - Plan B under the powers granted by the Members resolution passed on August 05, 2009. As per this, the Compensation Committee can fix the terms and conditions regarding

vesting period and vesting pattern at the time of each grant under the Scheme.

Further to this, the Compensation Committee granted further 85,000 options to eligible employees on May 17, 2012. Out of the 85,000 options, 25,000 options were granted to Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director of the Company, at an exercise price of Rs.10 per share, having a vesting period of 1 year and an exercise period of 10 years from the date of vesting. The balance 60,000 options were granted to Mr. Virender Aggarwal, the then CEO of the Company, at an exercise price of Rs.115 per share, having a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

During the FY 2014-15, the Compensation Committee granted the following stock options on August 08, 2014 with a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. A V Dharmakrishnan, Non- Executive Non-Independent Director	10	18,750
Mr. Virender Aggarwal, the then CEO	10	25,000
Mr. R Ravi Kula Chandran, CFO	10	6,250
	356	6,250
Other Employees	10	131,250
	356	113,750

Consequent to the completion of Rights Issue 2013, the outstanding stock options on the record date for Rights Issue 2013 i.e., April 23, 2014 were increased by a factor of 0.049156 per option and the exercise price of the stock options was revised downwards by multiplying the same with the factor of 0.9531, thus:

Plan	Original Price (Rs.)	No. of options outstanding on April 23, 2014	Revised Price (Rs.)	Revised No. of options
ESOS 2009 – Plan B	10	25,000	10	25,000
	94	295,210	90	309,750
	115	60,000	110	62,949

Details of options vested, exercised, lapsed etc., during the year for ESOS 2009 Plan - B are given in Table 1 – “Option movement during the FY 2023-24”, at the end of this Annexure.

C. Employee Stock Option Scheme, 2013 (ESOS 2013):

The Members at the Sixteenth AGM held on July 29, 2013, have approved, an issue of 1,000,000 stock options convertible into equity shares of Rs.10 each with the number of stock options that could be granted to the Non-Executive Non-Independent Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

During the FY 2014-15, the Compensation Committee / NRC had granted the following number of stock options on various dates at various exercise prices:

Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director: 37,500 @ Rs.155 each and 18,750 @ Rs.356 each, Mr. Virender Aggarwal, the then CEO: 50,000 @ Rs.155 each and Mr. R Ravi Kula Chandran, CFO: 12,500 @ Rs.155 each

Other Employees: 20,500 @ Rs.10 each, 513,750 @ Rs.155 each, 22,500 @ Rs.250 each, 25,000 @ Rs.340 each, 7,000 @ Rs.348 each, 98,750 @ Rs.356 each, 7,500 @ Rs.426 each, 15,000 @ Rs.431 each, 17,500 @ Rs.462 each, 46,250 @ Rs.482 each, 27,500 @ Rs.679 each and 5,250 @ Rs.696 each.

During the FY 2015-16, the NRC in its Meeting held on May 11, 2015 had granted 11,875 stock options @ Rs.10 each, 23,750 stock options @ Rs.307 each and 26,875 stock options @ Rs.613 each.

During the FY 2022-23, the NRC in its Meeting held on April 29, 2022 had granted 127,500 stock options @ Rs.10 each and 127,500 stock options @ Rs.160 each.

All the above mentioned options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

Details of options vested, exercised, lapsed etc. during the year for ESOS 2013 are given in Table 1 – “Option movement during the FY 2023-24”, at the end of this Annexure.

D. Employee Stock Option Scheme, 2014 (ESOS 2014):

The Members vide postal ballot dated September 12, 2014 have approved, an issue of 1,000,000 stock options convertible into equity shares of Rs.10 each with the number of stock options that could be granted to the Non-Executive Non-Independent Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Compensation Committee in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed detailed schemes in this regard.

During the FY 2015-16, the NRC had granted the following no. of stock options on various dates viz., August 05, 2015, November 21, 2015, February 09, 2016 and March 04, 2016 at various exercise prices viz., 26,875 stock options @ Rs.10 each, 18,000 stock options @ Rs.155 each, 12,500 stock options @ Rs.311 each, 13,750 stock options @ Rs.345 each, 10,000 stock options @ Rs.399 each, 12,500 stock options @ Rs.533 each, 6,250 stock options @ Rs.622 each, 6,875 stock options @ Rs.690 each, 5,000 stock options @ Rs.797 each and 15,750 stock options @ Rs.1,066 each.

During the FY 2016-17, the NRC had granted the following stock options on various dates viz., April 29, 2016, June 17, 2016, August 02, 2016, August 30, 2016 and November 08, 2016 at various exercise prices viz., 20,625 stock options @ Rs.10 each, 13,250 stock options @ Rs.377 each, 6,625 stock options @ Rs.753 each, 16,500 stock options @ Rs.351 each, 8,250 stock options @ Rs.701

each, 2,500 stock options @ Rs.332 each, 1,250 stock options @ Rs.663 each, 4,000 stock options @ Rs.257 each, 2,000 stock options @ Rs.513 each, 5,000 stock options @ Rs.222 each and 2,500 stock options @ Rs.443 each.

During the FY 2017-18, the NRC had granted the following stock options on various dates viz., May 29, 2017, July 21, 2017, September 11, 2017, October 13, 2017, November 02, 2017, December 15, 2017, January 16, 2018 and March 08, 2018 at various exercise prices viz., 45,000 stock options @ Rs.10 each, 12,500 stock options @ Rs.168 each, 5,000 stock options @ Rs.184 each, 10,000 stock options @ Rs.193 each, 2,500 stock options @ Rs.202 each, 7,500 stock options @ Rs.214 each, 22,500 stock options @ Rs.228 each, 17,500 stock options @ Rs.245 each, 12,500 stock options @ Rs.277 each, 6,250 stock options @ Rs.336 each, 2,500 stock options @ Rs.367 each, 5,000 stock options @ Rs.385 each, 1,250 stock options @ Rs.404 each, 3,750 stock options @ Rs.427 each, 11,250 stock options @ Rs.455 each, 8,750 stock options @ Rs.490 each and 6,250 stock options @ Rs.553 each.

During the FY 2018-19, the NRC had granted the following stock options on various dates viz., June 14, 2018 and October 04, 2018 at various exercise prices viz., 20,000 stock options @ Rs.10 each, 20,000 stock options @ Rs.163 each, 20,000 stock options @ Rs.186 each, 10,000 stock options @ Rs.326 each and 10,000 stock options @ Rs.372 each.

During the FY 2019-20, the NRC had granted the following stock options on various dates viz., April 17, 2019 and October 30, 2019 at various exercise prices viz., 12,500 stock options @ Rs.10 each, 12,500 stock options @ Rs.80 each, 12,500 stock options @ Rs.120 each, 6,250 stock options @ Rs.160 each and 6,250 stock options @ Rs.240 each.

During the FY 2020-21, the NRC had granted 25,000 Stock Options @ Rs.10 each on September 18, 2020 to Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director with a vesting period of 3 years and an exercise period of 10 years from the date of vesting and 20,000 Stock Options to Other Employees on September 18, 2020 and December 18, 2020 at various exercise prices viz., 5,000 stock options @ Rs.10 each, 5,000 stock options @ Rs.181 each, 2,500 stock options @ Rs.361 each, 5,000 stock options @ Rs.290 each and 2,500 stock options @ Rs.580 each.

During the FY 2021-22 no options were granted to employees/Option grantees.

During the FY 2022-23, the NRC had granted the following stock options on various dates viz., April 29, 2022 and June 03, 2022 at various exercise prices viz., 324,750 stock options @ Rs.10 each, 22,500 stock options @ Rs.129 each, 313,500 stock options @ Rs.160 each and 11,250 stock options @ Rs.258 each.

All the above mentioned options granted have a vesting period of 3 years and an exercise period of 10 years from the date of vesting of the final lot.

Details of options vested, exercised, lapsed etc. during the year for ESOS 2014 are given in Table 1 – “Option movement during the FY 2023-24,” at the end of this Annexure.

E. Employee Stock Option Scheme, 2022 (ESOS 2022):

The Members at the Twenty Fifth Annual General Meeting held on August 10, 2022, have approved, an issue of 1,500,000 stock options convertible into equity shares of Rs.10 each with the number of stock options that could be granted to the Non- Executive Directors of the Company not exceeding 200,000 options per year and 400,000 options in aggregate. The Nomination and Remuneration Committee (designated Compensation Committee) in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, framed detailed scheme in this regard.

During the FY 2022-23, the Nomination and Remuneration Committee had granted the following stock options on September 21, 2022 and February 01, 2023 with a vesting period of 3 years and exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. R Ravi Kula Chandran, CFO	10	25,000
	160	25,000
Mr. Raghuvveer Sandesh Bilagi, COO	10	30,000
	160	30,000
Other Employees	10	407,000
	160	407,000

During the FY 2023-24, the Nomination and Remuneration Committee had granted the following stock options on July 03, 2023, August 07, 2023 and February 07, 2024 with a vesting period of 3 years and exercise period of 10 years from the date of vesting of the final lot:

Category	Price (Rs.)	Number of options
Mr. Subramanian Sundaresan, CEO	10	75,000
	160	75,000
Other Employees	10	79,000
	160	79,000

Details of options vested, exercised, lapsed etc. during the year for ESOS 2022 are given below in Table 1 – “Option movement during the FY 2023-24:

Table 1 – Option movement during the FY 2023-24:

Sl. No.	Particulars	ESOS 2008	ESOS 2009 - Plan A	ESOS 2009 - Plan B	ESOS 2013	ESOS 2014	ESOS 2022	Weighted Avg. Exercise prices (Rs.)
1.	Number of options outstanding at the beginning of the period	50,024	85,471	76,726	469,189	751,851	911,000	126.85
2.	Number of options granted during the year	-	-	-	-	-	308,000	85.00
3.	Number of options forfeited / lapsed during the year	19,379	18,781	52,508	66,161	71,050	115,860	116.86
4.	Number of Options vested during the year	-	-	-	127,274	386,846	454,724	N.A.
5.	Number of options exercised during the year	18,674	-	-	28,190	68,961	76,890	74.49
6.	Number of shares arising as a result of exercise of options	18,674	-	-	28,190	68,961	76,890	N.A.
7.	Money realized by exercise of options (Rs.) if scheme is implemented directly by the Company	3,502,779	-	-	1,870,900	4,157,310	4,823,700	N.A.
8.	Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
9.	Number of options outstanding at the end of the year	11,971	66,690	24,218	374,838	611,840	1,026,250	127.15
10.	No. of options exercisable at the end of the year	11,971	66,690	24,218	312,930	407,090	366,534	159.32
11.	Method of calculation of employee compensation cost	Fair Value, using Black Scholes Merton model						
12.	Fair value of the options (net off reversals due to resignation of Option Grantees) for the FY 2023-24 (using Black Scholes Merton model)	Rs.132.17 Mln.						
13.	Difference between employee compensation cost so computed using the intrinsic value for expensing of the options computed at Sl. No. 11 above and the employee cost that shall have been recognized if fair value of options computed at Sl. No. 12 above is used	Not Applicable						

Sl. No.	Particulars	ESOS 2008	ESOS 2009 - Plan A	ESOS 2009 - Plan B	ESOS 2013	ESOS 2014	ESOS 2022	Weighted Avg. Exercise prices (Rs.)
14.	The impact of the difference mentioned in Sl. No. 13 above on profits and on EPS of the Company	Not Applicable						
15.	Weighted Average exercise prices and Weighted Average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per option is Rs.127.15 Weighted average fair value per option is Rs.272.13						
16.	Weighted average share price at the date of exercise	The weighted average share price arising upon exercise of Options, based on the closing market price on National Stock Exchange of India Limited, on the date of exercise of options (the date of allotment of shares by the Allotment Committee) for the year ended March 31, 2024 was Rs.280.81						
17.	Range of Exercise Prices & Weighted Average remaining contractual life	Sl. No.	Particulars	No. of Options Outstanding	As at March 31, 2024			
					Range of Exercise Prices (Rs.)	Weighted Average remaining contractual life (years)		
		1.	ESOS 2008	11,971	51 to 230	3.90		
		2.	ESOS 2009 - Plan A	66,690	10 to 356	3.03		
		3.	ESOS 2009 - Plan B	24,218	10 to 356	3.35		
		4.	ESOS 2013	374,838	10 to 696	6.75		
		5.	ESOS 2014	611,840	10 to 1066	10.36		
6.	ESOS 2022	1,026,250	10 to 160	11.80				

Assumptions used during the year to estimate the fair value of options are given below:

i)	Weighted Average Market price	Rs.320.67
ii)	Weighted Average Exercise Price	Rs.127.15
iii)	Weighted Average Stock Volatility	43.29%
iv)	Weighted Average Risk Free Interest Rate (%)	7.48%
v)	Weighted Average expected option life	10 years
vi)	Weighted Average expected dividends	Dividend yield not considered
vii)	Methodology for determination of volatility	The volatility of the stock returns (closing price of the Company's stock on NSE) of the Company for the period of one year prior to the date of grant of options has been considered. The Company has not incorporated the early exercise of options. There are no market conditions attached to the grant and vest.

Table 2 – Details of options granted in the FY 2023-24 to:**(These stock options were granted under ESOS 2022 during the FY 2023-24)**

a.	Key Managerial Personnel	Mr. Subramanian Sundaresan, Chief Executive Officer: 150,000 options (75,000 @ Rs.10 each and 75,000 @Rs.160 each)
b.	Employees who received a grant in the year amounting to 5% or more of options granted during the year	Mr. S R Srirama Raja- Senior Vice President :50,000 options (25,000@ Rs.10 each and 25,000@ Rs.160 each) Mr. Kishore Kanna N - Vice President & BU Head LOG & SRP • DEBSL: 25,000 options (12,500@ Rs.10 each and 12,500@ Rs.160 each) Mr. Sanu K Samuel – Head of Transformation: 75,000 options (37,500@ Rs.10 each and 37,500@ Rs.160 each)
c.	Identified employees who were granted option, during the year equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil

The above Disclosure required to be made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is also available in the Company's website under other compliances at the following weblink: <https://www.ramco.com/periodic-compliances#OtherCompliances> .

For and on Behalf of the Board of Directors
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA
Chairman

Place : Rajapalayam
Date : May 21, 2024

DISCLOSURES RELATING TO REMUNERATION

In accordance with Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) & (ii) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Managing Director, Whole Time Director (“WTD”) / Manager, Directors, Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and Company Secretary (“CS”) during the FY 2023-24:

Name of Director / KMP	Category / Designation	Remuneration of Director / KMP for FY 2023-24 (Rs.Mln.)	% Increase / (Decrease) in Remuneration in the FY 2023-24	Ratio of remuneration of each Director to median remuneration of employees
Mr. P R Venketrama Raja	Chairman / Non-Executive Promoter Director	0.15	(16.67%)	0.25:1
Mr. M M Venkatachalam*	Non-Executive Independent Director	0.30	(16.67%)	0.49:1
Mr. A V Dharmakrishnan	Non-Executive Non- Independent Director	0.30	(9.09%)	0.49:1
Mr. R S Agarwal*	Non-Executive Independent Director	0.33	(8.33%)	0.54:1
Mrs. Soundara Kumar	Non-Executive Independent Director	0.30	0.00%	0.49:1
Mr. Sankar Krishnan	Non-Executive Non- Independent Director	0.30	(9.09%)	0.49:1
Justice P P S Janarthana Raja (Retd.)	Non-Executive Independent Director	0.33	(8.33%)	0.54:1
Mr. P V Abinav Ramasubramaniam Raja	WTD	1.47	(2.00%)	2.18:1
Dr. M S Krishnan#	Non-Executive Independent Director	0.06	N.A.	0.09:1
Dr. Aravind Srinivasan#	Non-Executive Independent Director	0.06	N.A.	0.09:1
Mr. Subramanian Sundaresan [§]	CEO	32.04	N.A.	N.A.
Mr. R Ravi Kula Chandran	CFO	10.57	17.82%	N.A.
Mr. Vijayaraghavan N E	CS	2.47	(0.34%)	N.A.

* Directors upto March 31, 2024 # Directors from February 07, 2024 § CEO from July 03, 2024

Notes:

- (iii) The median remuneration of employees of the Company during the FY 2023-24 was Rs.6,06,491 and the percentage increase in the median remuneration was 11.46%.
- (iv) There were 1,596 permanent employees on the rolls of the Company and 1,767 permanent employees including those in the Subsidiaries as on March 31, 2024.
- (v) Average percentage increase in salaries of employees other than the managerial personnel (i.e. WTD) in the FY 2023-24 was 6% and the increase/(decrease) in the managerial remuneration (i.e. WTD) in the FY 2023-24 was (2%).
- (vi) It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company to Directors, Key Managerial Personnel and other Employees.
- (vii) No employee who was in receipt of remuneration in excess of that drawn by Managing Director, holds 2% or more of the equity shares of the Company by himself or along with his spouse and dependent children.

For and on Behalf of the Board of Directors
For **RAMCO SYSTEMS LIMITED**

Place : Rajapalayam
Date : May 21, 2024

P R VENKETRAMA RAJA
Chairman

FORM NO. MR-3

Secretarial Audit Report for the financial year ended 31st March 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
RAMCO SYSTEMS LIMITED
[CIN: L72300TN1997PLC037550]
47, P.S.K. Nagar, Rajapalayam – 626 108.

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **RAMCO SYSTEMS LIMITED** ('the Company') **during the financial year from 1st April 2023 to 31st March 2024** ('the year' / 'the financial year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts and statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our **examination / verification** of the physical / electronic books, papers, minute books and other records maintained by the Company and furnished to us, forms/ returns filed, information disseminated on the website of the Company as well as the two stock exchanges in which the Company's equity shares are listed and compliance related action taken by the Company during the year as well as after 31st March 2024 but before the issue of this audit report;
- (ii) **Compliance report** on all laws applicable to the Company given by the Whole Time Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company and taken on record by the Board of Directors; and
- (iii) **Representations** made and information provided by the Company, its officers, agents and authorized representatives during our conduct of the Secretarial Audit.

In our opinion, **during the audit period covering the financial year ended on 31st March 2024**, the Company has complied with the statutory provisions listed hereunder; and also has Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – 1.

1. Compliance with specific statutory provisions**We report that:**

- 1.1 We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions/ clauses of the Acts, Rules, Regulations, Standards and Agreements set out hereunder.
- 1.2 During the period under review, and also considering the compliance related action taken by the Company after 31st March 2024 but before the issue of this report, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, the Company's compliance with the said applicable provisions/ clauses of the Acts, Rules, Regulations, Standards and Agreements are as set out hereunder.
- 1.3 The Company has complied with the following:
 - (i) The Companies Act, 2013 and the rules made thereunder (the Act);
 - (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
 - (iv) The Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments (FEMA);
 - (v) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST);
 - (vi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (vii) The listing agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) (Agreements) read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);

- (viii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (ix) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (x) The Software Technology Park (STP) Scheme based on Foreign Trade Policy of the Department of Commerce, Government of India, which is specifically applicable to the Company's STP unit located in Chennai; and
- (xi) Secretarial Standards -1 (SS-1) on Meetings of the Board of Directors, and Secretarial Standards – 2 (SS-2) on General Meetings, issued by the Institute of Company Secretaries of India, to the extent applicable to the Board Meetings and General Meeting/Postal ballot held/ conducted during the year.

1.4 The Company **was not required to comply with** the following on account of the non-applicability / non-occurrence of any relevant event during the year:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with clients;
- (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (vi) Secretarial Standards on Dividend (SS-3) (non-mandatory) issued by the Institute of Company Secretaries of India; and
- (vii) Secretarial Standards on Board's Report (SS-4) (non-mandatory) issued by the Institute of Company Secretaries of India.

2 Board processes

We further report that:

2.1 Board constitution and balance

- (a) The constitution of the Board of Directors of the Company during the year was in compliance

with the applicable provisions of the Act and LODR.

- (b) As on 31st March 2024, the Board has:
 - (i) One Executive Director;
 - (ii) Three Non-Executive Non-Independent Directors; and
 - (iii) Six Independent Directors, including One Independent Woman director.
- (c) The following changes took place in the composition of the Board of Directors during the year, in compliance with the applicable provisions of the Act and SEBI LODR:
 - (i) Re-appointment of Shri. A.V. Dharmakrishnan (DIN 00693181) as a Non-Executive Director, on his retirement by rotation, by way of an Ordinary Resolution passed by the members at the 26th AGM held on 10th August 2023;
 - (ii) Re-appointment of Shri. P.P.S. Janarthana Raja (DIN 06702871) as an Independent Director for his second term of 5 (five) consecutive years from 29th August 2023 to 28th August 2028 and its approval by the members by way of a Special Resolution passed at the 26th AGM held on 10th August 2023;
 - (iii) Appointment of Dr. M.S. Krishnan (DIN 08539017) as an Independent Director for a period of 5 (five) consecutive years from 7th February 2024 to 6th February 2029 and its approval by the members by way of a Special Resolution passed through Postal Ballot process on 14th March 2024;
 - (iv) Appointment of Dr. Aravind Srinivasan (DIN 00088037) as an Independent Director for a period of 5 (five) consecutive years from 7th February 2024 to 6th February 2029, which was approved by the members by way of a Special Resolution passed through Postal Ballot process on 14th March 2024;
 - (v) Retirement of Shri. M.M Venkatachalam (DIN 00152619) as an Independent Director on completion of his second consecutive term of 5 (five) years on 31st March 2024;and

- (vi) Retirement of Shri. R.S.Agarwal (DIN 00012594) as an Independent Director on completion of his second consecutive term of 5 (five) years on 31st March 2024.

2.2 Board / Committee Meetings

- (a) Adequate notice was given to all the directors to enable them to plan their schedule for the Board meetings. Notice of Board /Committee meetings were sent to the Directors at least 7 (seven) days in advance, except for the meetings which were convened with Shorter Notice.
 - (b) Agenda and detailed notes on agenda were sent to the directors at least 7 (seven) days before the Board / Committee Meetings except for the meetings which were convened with Shorter Notice. The following items were either circulated separately or at the Board meetings with the requisite consent as per SS-1:
 - (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts/ results/ unaudited financial results and connected papers; and
 - (ii) Additional subjects/ information/ presentations and supplementary notes.
- 2.3 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- 2.4 We note from the Minutes that, at the Board meetings held during the year:
- (i) Majority decisions were carried through; and
 - (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the Minutes.

3 Compliance mechanism

We further report that:

There are reasonably adequate systems and processes in the Company, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4 Specific events/ actions

We further report that during the year, the following specific events/ actions having a major bearing on the Company's affairs took place in pursuance of the above referred laws, rules, regulations and standards:

(a) Allotment of Equity Shares

Allotment of an aggregate of 1,91,965 Equity Shares of Rs.10 each for cash at the applicable exercise prices to eligible employees of the Company under various Employees Stock Option Schemes (ESOS Schemes), consequent to which the number of Equity shares in the paid-up capital of the Company increased from 3,52,27,756 to 3,54,19,721.

(b) Grant of Stock Options under Employee Stock Option Scheme 2022

Approval by the Nomination and Remuneration Committee for grant of an aggregate of 3,08,000 stock options under ESOS 2022 Scheme, to eligible employees of the Company.

(c) Incorporation of Wholly Owned Subsidiary

Incorporation of Ramco System Korea Company Limited as a wholly owned subsidiary in South Korea on 13th November 2023.

(d) Buy back of shares by Wholly Owned Subsidiary

Buy-back of the Company's shareholding in RSL Enterprise Solutions (Pty) Ltd., South Africa, a wholly-owned subsidiary, to the extent of 38,70,020 shares during March 2023 and 34,83,018 shares during March 2024.

For **S. KRISHNAMURTHY & CO.,**

Company Secretaries

[Firm Unique Identification No. P1994TN045300]

[Peer Review Certificate No. 739/2020]

K SRIRAM

Partner

Membership number: F6312

Certificate of Practice No:2215

UDIN: F006312F000417360

Date: 21st May 2024

Place: Chennai

ANNEXURE – 1 TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members,
RAMCO SYSTEMS LIMITED
[CIN: L72300TN1997PLC037550]
47, P.S.K. Nagar, Rajapalayam – 626 108.

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2024 is to be read along with this letter.

1. Management's Responsibility:

The Company's management is responsible for maintenance of secretarial records, making the statutory/regulatory disclosures/ filings and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards.

2. Secretarial Auditors' Responsibility:

Our responsibility as a Secretarial Auditor is to express an opinion on the compliance with the applicable laws and maintenance of records based on our audit.

3. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records and the audit was conducted in accordance with applicable auditing standards issued by The Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

4. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2024 but before the issue of this report.
5. We have considered compliance related actions taken by the Company based on independent legal/ professional opinion obtained as being in compliance with law.
6. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
7. We have not verified the correctness and appropriateness of financial statements, financial records and books of accounts of the Company, which are being audited by the Auditors.
8. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
9. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
10. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Auditing Standards.

For **S. KRISHNAMURTHY & CO.,**

Company Secretaries

[Firm Unique Identification No. P1994TN045300]

[Peer Review Certificate No. 739/2020]

K. SRIRAM

Partner

Membership number: F6312

Certificate of Practice No:2215

UDIN: F006312F000417360

Date: 21st May 2024

Place: Chennai

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The objectives of the CSR Policy are:

- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To generate, through its CSR initiatives, community goodwill for Ramco Systems Limited (hereinafter referred to as "RSL") and help reinforce a positive & socially responsible image of RSL as a corporate entity.

2. Composition of the CSR Committee as on March 31, 2024:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. P R Venketrama Raja	Chairman/Non-Executive Non-Independent Director	1	1
2.	Mr. M M Venkatachalam	Member/Non-Executive Independent Director	1	1
3.	Mr. A V Dharmakrishnan	Member/Non-Executive Non-Independent Director	1	1

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

Composition of CSR Committee:

<https://www.ramco.com/investors/corporate-governance#BoardCommittees>

CSR Policy:

<https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Corporate%20Social%20Responsibility%20Policy/Corporate-Social-Responsibility-Policy.pdf>

CSR Projects:

<https://www.ramco.com/hubfs/investor-relations/CSR-Projects.pdf>

Your Company is one among the leading software product provider in the Information, Communications & Technology industry. In accordance with the CSR vision of the Company and in alignment with the Areas of initiatives specified in the policy, the Company had undertaken social investment in the field of environment under clause IV of Schedule VII, by ensuring environmental sustainability, ecological balance, protection of flora and fauna etc.

The Company undertook the CSR projects and their implementation through Auroville Foundation – Botanical Garden Unit and Ramasubrahmaneya Rajha Ramco Foundation (RRRF).

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Sub-Rule (3) of Rule 8, if applicable.

Not Applicable

- Average net loss of the Company as per sub-section (5) of Section 135 (FY 2020-21 to FY 2022-23) Rs.(293,834,101)
- Two percent of average net profit of the Company as per sub-section (5) of Section 135: Nil
- Surplus arising out of the CSR projects or programs or activities of the previous financial years : Nil
- Amount required to be set-off for the financial year, if any : Nil
- Total CSR obligation for the financial year [(b)+(c)-(d)] : Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Nil
 (b) Amount spent in Administrative overheads : Nil
 (c) Amount spent on Impact Assessment, if applicable : Nil
 (d) Total amount spent for the financial year [(a)+(b)+(c)] : Nil
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
-	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
-	-	-		-	

- (f) Excess amount of set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	-
(ii)	Total amount spent for the financial year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2		3	4	5	6		7	8
Sl. No.	Preceding financial year		Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount Spent in the financial year (in Rs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs)	Deficiency, if any
						Amount (in Rs)	Date of Transfer		
1.	FY-1	A	-	-	7,380,000	Nil	Nil	Nil	Nil
	2022-23	B	4,533,682	3,433,682	1,100,000	Nil	Nil	3,433,682	
2.	FY-2 2021-22 A		12,430,000	7,380,000	5,050,000	Nil	Nil	7,380,000	Nil
3.	FY-3 2020-21		Nil	Nil	Nil	Nil	Nil	Nil	Nil

A – represents CSR obligations for FY 2021-22

B – represents CSR obligations for FY 2022-23

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year; Yes / No; If Yes, enter the number of Capital assets created/ acquired: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
Nil							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135. NA

P R VENKETRAMA RAJA
(Chairman CSR Committee)
Rajapalayam

JUSTICE P P S JANARTHANA RAJA (RETD.)
(Director)
Chennai

Date : May 21, 2024

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company.

PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

[In accordance with Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014- AOC-2]

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

a. Name(s) of the related party and nature of relationship	Not applicable since there were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2024 which were not at arm's length basis.
b. Nature of contracts/arrangements/transactions	
c. Duration of the contracts/arrangements/transactions	
d. Salient terms of the contracts or arrangements or transactions including the value, if any	
e. Justification for entering into such contracts or arrangements or transactions	
f. Date (s) of approval by the Board	
g. Amount paid as advances, if any	
h. Date on which the resolution was passed in General Meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

a. Name(s) of the related party and nature of relationship	Not applicable since there were no material contracts or arrangements or transactions entered into during the financial year ended March 31, 2024.
b. Nature of contracts/arrangements/transactions	
c. Duration of the contracts/arrangements/transactions	
d. Salient terms of the contracts or arrangements or transactions including the value, if any	
e. Date(s) of approval by the Board, if any	
f. Amount paid as advances, if any	

All related party transactions are in the ordinary course of business and on arm's length basis and are approved by the Audit Committee of the Company.

For and on Behalf of the Board of Directors
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA
Chairman

Place : Rajapalayam
Date : May 21, 2024

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[In accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014, the following information is furnished for the year ended March 31, 2024]

(A) CONSERVATION OF ENERGY:

- (i) Steps taken or impact on conservation of energy:- Nil
- (ii) Steps taken by the Company for utilizing the alternate sources of energy:- Nil
- (iii) Capital investment on energy conservation equipments:- Nil

(B) TECHNOLOGY ABSORPTION:

In today's rapidly evolving business landscape, technology is essential for the transformation and modernization of enterprise organizations. Advanced technological solutions, particularly SaaS-enabled platforms, empower businesses to streamline operations, enhance productivity, and maintain competitiveness. Ramco's cutting-edge, AI-enabled products support continuous improvement and agility, helping clients modernize their operations. Emphasizing user-friendly interfaces and rich features enhances user experience and customer satisfaction, enabling organizations to navigate today's economic challenges and seize new growth opportunities.

Efforts made and benefits derived from technology absorption:

- Ramco VirtualWorks (RVW) with UDS Integration

In the quest to modernize VirtualWorks, during the FY 2023-24, the Company undertook a major initiative, through enhancements to RVW Platform, Desktop and Mobile UIs thereby extending seamless integration, pilot adoption of UDS has been production deployed.
- In-Memory Rule Based Computing Engine

During the year, we implemented an in-memory compute engine, supporting rule-based payroll computation with a no-code Rule Builder UI. This eliminates stored procedures, allowing dynamic execution of payroll processing through predefined process flows. The system uses multi-agent space-based architecture pattern for distributed processing, high availability, and scalability. Computed values are seamlessly pushed to the database, enhancing data consistency and processing efficiency.

➤ rTask - Issue tracking System

During the year, launched rTask, an end-to-end issue tracking system, developed in-house at Ramco. rTask can help us manage and track various types of work items, such as customer tickets and product engineering work items like Epics and Stories. It enhances project tracking visibility and boosts team alignment and productivity by allowing customizable workflows to fit the user's needs.

➤ Ramco's RXD

Ramco's in-house experience design team – Ramco Experience Design (RXD) Team is dedicated to developing a comprehensive Design Language, User Experience (UX) Practices, and accessibility-compliant features and components to ensure a seamless user experience across all platforms and product lines. During the year, 2023-24, the Company created and published a Web Design System, successfully adopting it across various applications by integrating it with RUI Components and sharing guidelines with the entire organization.

The RXD Team has today evolved into a Central Design Team, utilizing a Design Thinking approach and aligning with organizational goals to deliver designs based on business and user needs. The UX Team has also begun exploring practices such as usability studies, internal user research, deep ideation processes, and implementing accessibility standards.

➤ Upgradation of Mobile Applications for Android and iOS

We have released a new version of the Evolv application (Evolv 2.0) which is a combination of Ramco's Unify and Evolv 1.0. With this upgrade customers can seamlessly move from Unify to Evolv through scripted upgrade with minimal testing. This will also enhance the technology from Xamarin to MAUI.

➤ Anomaly Engine for Payroll processing using AI

During the year, we also released the first version of the Anomaly Detection Tool which can be used

to identify discrepancies in the current payset based on the previous months' data through ML algorithms. This feature has reduced the time taken to check for anomaly from tens of minutes to under one minute.

Key Developments and Enhancements:

➤ Strengthening Mobility Application

Ramco's Mobile application has brought in significant improvement in efficiency by allowing host of operations on-the-go. Approve Anywhere allows easy review & approval of many documents across business functions. Single click enquiries and operational transaction reporting with features like Sign on Glass, enables real time inventory updates and tracking. In addition features related to Supplier, Stock and Cash enquiries now make data readily available to the Finance /field force for immediate reference and action.

➤ Real Time Notifications & Zero Touch Approvals

More transactions were brought under the coverage of multi-level approval with mail and mobile based actions with facility to view the traceability. Using the Notification framework, alerts and messages can be configured by end users. Standard Notifications have also been packaged from the application.

➤ Strengthening our MRO Capabilities

Throughout the year, we have refined and completed functionalities to equip our software for end-to-end Engine MRO operations. These enhancements encompassed automation, user experience improvements such as barcoding, collaboration features, and integration with portals, further solidifying our MRO capabilities.

➤ Aircraft Discrepancy Clustering using AIML

To address recurring discrepancies and empower aviation personnels with insightful analysis, our solution now incorporates machine learning intelligence. This feature analyses and groups discrepancies into clusters, enabling users to study, resolve and devise preventive actions effectively.

➤ Continuous Enrichment of Ramco Anywhere Apps

Our suite of Anywhere apps has garnered significant popularity, driving a mobile-first approach across various functions. We are expanding the reach of these apps by developing an Android platform version,

transitioning from Xamarin to the MAUI framework. This initiative ensures inclusivity, enhances engagement levels, and broadens our market reach, particularly in regions like India and the Middle East. Significant enhancements have been made across all our apps, including the introduction of purchase request and quote approval in Approve Anywhere, as well as a backup and restore function in our Offline Fly Anywhere app.

➤ Maintenance Control Centre

In alignment with our commitment to serving large airlines with an efficient Aviation ERP solution, we introduced a comprehensive solution for Maintenance Control Centre operations. This solution facilitates the streamlined management of aircraft status, discrepancy restrictions, and actions related to packaging, deferments, and cannibalizations. With seamless integration capabilities with flight scheduling software on one end and connectivity with the supply chain and maintenance resources on the other, our MCC Hub provides real-time support to optimize turnaround times and mitigate flight delays.

➤ Connected Ecosystem for Taxation

With in-built capability for taxation computation & Reporting, Ramco ERP is integrating with Government portals for e-invoice for countries like Malaysia and Saudi Arabia through 3rd party SI using API based calls.

➤ Standard Dashboards for meaningful insights

Standardized dashboards suitable for various roles, equipped with insightful analytics and metrics are designed. This is done using Ramco's native BINGO tool. These dashboards can provide drilldown facilities, with access rights and flexible filters.

➤ Workspace for Facilities Management

Facilities Management System (FMS) Workspace is a comprehensive hub that provides complete view of transactions and to-do lists across its various functions and roles. This facilitates smooth operation flow throughout the entire project life cycle, ensuring quicker turnaround times.

➤ Powered Planning & Scheduling

The power of Bryntum is embedded in the enterprise applications for effective service order

management. Gantt Chart, Histogram and Calendars are extensively implemented to show resource availability, make assignments, show work progress and do Scheduling.

Benefits derived:

The benefits arising of the R&D efforts can be categorized as below:

- Improved end user experience with reduced number of API calls
- Improved user experience resulted through improved UI styling, compact UIs allowing more content, less scroll with React based UIs, and Contextual Real-time Chat

1. Details of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. Technology Imported	- Nil
b. Year of import	- Not applicable
c. Has technology been fully absorbed	- Not applicable
d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	- Not applicable

2. Expenditure on R&D (Refer Note no. 5 to R&D Accounts)

Particulars	Rs. Mln.	
	FY 2023-24	FY 2022-23
Capital	1.40	0.24
Recurring	826.68	1,096.34
Total	828.08	1,096.58
Total R&D expenditure as a percentage of total revenue	30.20%	44.25%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	Rs. Mln.	
	FY 2023-24	FY 2022-23
Foreign Exchange Earned in terms of actual inflows	1,585.40	1,547.34
Foreign Exchange Outgo in terms of actual outflows	437.82	455.37

For and on Behalf of the Board of Directors
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA
Chairman

Place : Rajapalayam
Date : May 21, 2024

Corporate Governance Report

Corporate Governance is a set of Rules and practices aligned with a systematic procedure through which a Corporate is directed and controlled by balancing the interest of all stakeholders. Your Company's ("Ramco Systems" or "Ramco" or "RSL" or "Company") Corporate Governance goals are principally driven by the objective of creating and maintaining a trust centered relationship in order to enrich stakeholder's value.

Your Company has complied with the regulatory requirements and changes / amendments thereto, stipulated by the regulatory authorities for more transparent and better Corporate Governance as applicable to it.



PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to maintain high standards of Corporate Governance, protecting the interest of Customers, Members and other Stakeholders. In line with this philosophy, we endeavour to maintain transparency at all levels through adoption of the best Corporate Governance Practices. The basic governance framework reflecting the values of the entity are ingrained in the functions.

Good Governance Practices stem from the culture and mindset of the organisation. Your Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the Governance Practices with highest integrity, transparency and accountability.

Your Company is in compliance with the requirements of Corporate Governance and in particular those stipulated under Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR") as applicable.



BOARD OF DIRECTORS

Your Company has a competent and informed Board of Directors ("Board"). The Directors of the Company possess the

highest personal and professional ethics, integrity and values and are committed to representing the long-term interests of the Stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business Judgment on behalf of the Company.

The Board provides strategic guidance on the affairs of the Company and plays a pivotal role in safeguarding the interests of all stakeholders. Your Company has on its Board eminent Independent Directors who have brought in independent Judgment to Board's deliberations including issues of strategy, risk management and overall governance. In the opinion of the Board, the Independent Directors fulfil the conditions prescribed in the Companies Act, 2013 (hereinafter referred as "the Act") and SEBI LODR and are independent of the management.

The minimum information to be placed before the Board of Directors at their Meeting, as specified in Part A of Schedule II of SEBI LODR have been adequately complied with.

Board's Composition

Your Company has a balanced mix of eminent Executive, Non-Executive and Independent Directors on the Board. As of March 31, 2024, the Board consists of six (6) Independent Directors including one (1) Woman Director, three (3) Non-Executive Non-Independent Director and one (1) Executive Director. The Chairman is a Non-Executive Director, Promoter. The Board's Composition is in accordance with SEBI LODR and the Act.

Two Independent Directors, Mr. M M Venkatachakam and Mr. R S Agarwal, have completed two consecutive terms of five years each in office on March 31, 2024. Hence, from April 01, 2024, the Board consists of four (4) Independent Directors including one (1) Woman Director, three (3) Non-Executive Non-Independent Director and one (1) Executive Director. The Chairman is a Non-Executive Director, Promoter. The Board's Composition is in accordance with SEBI LODR and the Act.

The Company's affairs are managed by Mr. P V Abinav Ramasubramaniam Raja, Manager, designated as Whole Time Director, assisted by a competent management team headed by the CEO, Mr. Subramanian Sundaresan.

Corporate Governance Report (Contd.)

Directors' Information

The details of the Directors, their age, designation, attendance in the Board and General Meeting held during the year and their shareholding in the Company as on March 31, 2024 are as follows:

Name of the Director/DIN	Age	Designation/ Position	Attendance		No. of equity shares held and % of holding
			Board Meeting held/attended	Last (26th) AGM	
Mr. P R Venketrama Raja ^{\$} DIN:00331406	65	Chairman / Non- Executive Non-Independent Director, Promoter	5/5	Yes	3,353,366 (9.47%)
Mr. P V Abinav Ramasubramaniam Raja DIN:07273249	31	Whole Time Director/ Executive Non-Independent Director	5/5	Yes	110,332 (0.31%)
Mr. M M Venkatachalam* DIN:00152619	65	Non-Executive Independent Director	5/5	Yes	-
Mr. A V Dharmakrishnan DIN:00693181	67	Non-Executive Non-Independent Director	5/5	Yes	188,192 (0.53%)
Mr. R S Agarwal* DIN:00012594	81	Non-Executive Independent Director	5/5	Yes	-
Mrs. Soundara Kumar DIN:01974515	69	Non-Executive Independent Director	5/4	Yes	-
Mr. Sankar Krishnan DIN:01597033	56	Non-Executive Non- Independent Director	5/5	Yes	-
Justice P P S Janarthana Raja (Retd.) DIN:06702871	73	Non-Executive Independent Director	5/5	Yes	-
Dr. M S Krishnan# DIN: 08539017	60	Non-Executive Independent Director	1/1	NA	-
Dr. Aravind Srinivasan# DIN: 00088037	54	Non-Executive Independent Director	1/1	NA	-

\$ Holds 14,59,854 Fully Convertible Equity Warrants.

* Retired on March 31, 2024, after completing their two consecutive term of five years each in office.

Appointed w.e.f. February 07, 2024.

The profile of Directors can be found at our website: <https://www.ramco.com/investors/corporate-governance>

Board Skills

The Board has identified the skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board. In accordance with Schedule V read with Regulations 34(3) of SEBI LODR, a matrix setting out the skills/expertise/competence of the Board of Directors specifying the name of the Directors who have such skills/expertise/competence is given below. In general, all the Directors in the Board have hands on experience in the identified areas as below:

Name of the Directors	List of Core Skills/Expertise/Competencies available (including but not limited to)
Mr. P R Venketrama Raja	Expert knowledge in Information Technology, Strategy Management, Business Management and Industrial Relationship Management
Mr. P V Abinav Ramasubramaniam Raja	Strategy Management and Business Management, knowledge in Information Technology and Industrial Engineering
Mr. M M Venkatachalam	Strategy Management, Business Management, Project Management and Industrial Relationship Management
Mr. A V Dharmakrishnan	Strategy Management, Business Management, Banking and Financial Management, Risk Management including Foreign Exchange Management, Tax Planning and Management

Corporate Governance Report (Contd.)

Name of the Directors	List of Core Skills/Expertise/Competencies available (including but not limited to)
Mr. R S Agarwal	Banking and Financial Management and Project Management
Mrs. Soundara Kumar	Banking and Financial Management and Risk Management including Foreign Exchange Management
Mr. Sankar Krishnan	Information Technology, Strategy Management and Business Management, Business Consulting and Project Management
Justice P P S Janarthana Raja (Retd.)	Expert legal Knowledge, Tax Planning and Management
Dr. M S Krishnan	Information Technology, Strategy Management and Business Management
Dr. Aravind Srinivasan	Business strategy & planning, Operations, Sales and Marketing, Administration, General management.

Directors' Positions

In accordance with Regulation 26(1) of the SEBI LODR, none of the Directors is a Member in more than ten (10) Committees nor any of them a Chairperson of more than five (5) Committees across all listed entities in which they are Directors. As mandated under Regulation 17 of the SEBI LODR, none of the Directors holds Directorship in more than Seven (7) listed entities and not holding position as Independent Director in more than seven (7) listed entities. All the Directors have furnished their Directorship and Committee position in other entities as on March 31, 2024 in accordance with the Act and SEBI LODR.

Name of the Director	Directorship/Chairpersonship in Board*		Chairpersonship/Membership in Committees**		Directorships in Listed Entities other than this entity	
	Director	Chair-person	Member	Chair-person	Company	Category
Mr. P R Venketrama Raja	7	6 out of 7	6	3 out of 6	The Ramco Cements Limited	Executive Non-Independent
					Ramco Industries Limited	Non-Executive Non-Independent
					Rajapalayam Mills Limited	Non-Executive Non-Independent
					The Ramaraju Surgical Cotton Mills Limited	Non-Executive Non-Independent
Mr. P V Abinav Ramasubramaniam Raja	2	-	-	-	Ramco Industries Limited	Executive Non-Independent
					Rajapalayam Mills Limited	Non-Executive Non-Independent
Mr. M M Venkatachalam [#]	5	1 out of 5	5	3 out of 5	The Ramco Cements Limited	Non-Executive Independent
					Coromandel International Limited	Non-Executive Non-Independent
					E.I.D Parry (India) Limited	Non-Executive Non-Independent
Mr. A V Dharmakrishnan	5	-	2	-	Rajapalayam Mills Limited	Non-Executive Non-Independent
Mr. R S Agarwal [#]	2	-	2	2 out of 2	The Ramco Cements Limited	Non-Executive Independent
					Ramco Industries Limited	Non-Executive Independent
Mrs. Soundara Kumar	4	1 out of 4	3	-	Rajapalayam Mills Limited	Non-Executive Independent
					Shanthi Gears Limited	Non-Executive Independent
					Carborundum Universal Limited	Non-Executive Independent
Mr. Sankar Krishnan	1	-	1	-	Nil	Nil
Justice P P S Janarthana Raja (Retd.)	4	-	6	5 out of 6	Rajapalayam Mills Limited [#]	Non-Executive Independent
					The Ramaraju Surgical Cotton Mills Limited	Non-Executive Independent
Dr. M S Krishnan [§]	1	-	-	-	The Ramco Cements Limited	Non-Executive Independent
Dr. Aravind Srinivasan [§]	1	-	1	-	Birla Cable Limited	Non-Executive Independent

*Public Limited Companies, other than Ramco Systems Limited.

**Audit Committee and Stakeholders Relationship Committee of Public Limited Companies, other than Ramco Systems Limited.

[#] Retired on March 31, 2024, after completing their two consecutive term of five years each in office.

[§] Appointed w.e.f. February 07, 2024.

Corporate Governance Report (Contd.)

Disclosure of relationships between Directors inter-se

None of the Directors are related to any other Director except Mr. P R Venketrama Raja and Mr. P V Abinav Ramasubramaniam Raja who are related to each other as father and son.

Appointment / Re-appointment / Cessation of Directors

During the year, the appointment / re-appointment / cessation of Directors took place. Further details about this are provided in the Board's Report.

Independent Directors and Familiarisation Program

Your Company's Board comprises of six (6) Independent Directors as on March 31, 2024 and four (4) Independent Directors from April 01, 2024. Independent Directors of the Company have confirmed that they meet the criteria as mentioned in Regulation 16(1) and 25 of SEBI LODR, Section 149(6) of the Act and are independent of the management.

Independent Directors are given insight at the time of their induction, about the business and operations of the Company and its subsidiaries.

The Company had issued formal letters of appointment/re-appointment to its Independent Directors at the time of their appointment/ re-appointment. The terms and conditions of draft appointment letter are available at the Company's website, at the following weblink: <https://www.ramco.com/investors/corporate-governance>. The tenure of Independent Directors is in accordance with the Act and SEBI LODR.

Directors' Tenure

The tenure of the Directors is in accordance with the provisions of the Act and SEBI LODR.

Name of the Director	Category	Tenure of the Director in the Current Term	
		From (Month/Date/ Year)	To (Month/Date/ Year)
Mr. P R Venketrama Raja	Chairman/Non-Executive Non-Independent Director, Promoter	N.A.	N.A.
Mr. P V Abinav Ramasubramaniam Raja	Whole Time Director/Executive Non-Independent Director	June 04, 2022	June 03, 2024
Mr. M M Venkatachalam	Non-Executive Independent Director	April 01, 2019	March 31, 2024
Mr. A V Dharmakrishnan	Non-Executive Non-Independent Director	N.A.	N.A.
Mr. R S Agarwal	Non-Executive Independent Director	April 01, 2019	March 31, 2024
Mrs. Soundara Kumar	Non-Executive Independent Director	March 27, 2020	March 26, 2025
Mr. Sankar Krishnan	Non-Executive Non-Independent Director	N.A.	N.A.
Justice P P S Janarthana Raja (Retd.)	Non-Executive Independent Director	August 29, 2023	August 28, 2028
Dr. M S Krishnan	Non-Executive Independent Director	February 07, 2024	February 06, 2029
Dr. Aravind Srinivasan	Non-Executive Independent Director	February 07, 2024	February 06, 2029

- The appointment of the Whole Time Director is governed by the Articles of Association of the Company, resolutions passed by the Committees/Board and the Members of the Company along with Service/Employment Contracts.
- The service contracts, notice period and severance fees are not applicable to Non-Executive and/or Independent Directors.

In accordance with Schedule IV of the Act and Regulation 25 of SEBI LODR, Independent Directors met without the presence of Non-Independent Directors and Members of the Management on March 13, 2024 and all the Independent Directors were present at the Meeting. Amongst other matters, in the Meeting, they have reviewed/discussed about the performance of the Company, flow of information to the Board, performance of Non-Independent Directors, Board as a whole and performance of the Whole Time Director including the Chairman after taking views of Executive and Independent Directors.

Familiarisation Program for Independent Directors is to enable them to familiarise themselves with the Company, its Management and Operations. The Company continues to familiarise all its Directors on the technological and statutory developments, which have a bearing on the Company and the industry, which would be effective in discharging their expected duties. The details of the Familiarisation programs imparted to Directors is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/DIRECTORS-FAMILIARISATION-PROGRAMME.pdf>

Independent Directors, through their interactions and deliberations, give suggestions for improving the overall effectiveness of the Board and its Committees.

In accordance with Regulation 25(10) of the SEBI LODR, the Company has undertaken Directors and Officers Insurance.

Corporate Governance Report (Contd.)



MEETINGS OF THE BOARD

The Board met five (5) times during the FY 2023-24 viz., May 17, 2023, July 03, 2023, August 07, 2023, October 30, 2023 and February 07, 2024. The Company held at least one Board Meeting in every quarter. The maximum time gap between any of the two consecutive Meetings was not more than one hundred and twenty (120) days. The necessary quorum was present for all the Board Meetings.

Board Procedure

The Board of Directors have access to the information within the Company. Systems, procedures, and resources are in place to ensure that every Director is provided with precise and timely information which enables them to exercise their duties effectively. The Directors also get an opportunity to interact with the management.

Board Meeting is generally held once in a quarter to review amongst others, financial results and business operations. The Board also meets as and when necessary to deal with specific matters concerning your Company. The Board Meetings are conducted with a pre-communicated and structured agenda.

The agenda is generally shared seven days prior to the date of the Meeting. The information pertaining to mandatory items as specified in the Act, SEBI LODR and other applicable laws along with business information's are provided to the Board, as part of the agenda papers well in advance of the Board Meetings (except for certain Unpublished Price Sensitive Information which are provided separately).

As part of Green Initiatives to support environment, the Company is using secured electronic software application – “Digiboard” through which Board and Committee Meetings agenda, notes, supporting documents and other communications are being circulated/shared to Directors. The draft minutes of the Board and/or its Committee(s) are sent to the Directors for their comments, if any and appropriately entered/recorded in the minutes book maintained by the Company in accordance with the Act and in compliance with Secretarial Standards.

The Board of Directors periodically reviews Compliance Reports pertaining to all laws applicable to the Company. The Minutes of the Meetings of the Board of Directors of the unlisted subsidiary are being placed before the Board of Directors of the Company. Updates on subsidiaries are also placed before the Board on a quarterly basis. The Audit Committee of the Board reviews periodically the Financial Statements/ other allied matters of the

subsidiaries. The minutes of the Meetings of all Committees of the Board are placed before the Board for noting.

The Board also satisfies itself that plans are in place for orderly succession for appointment of Board of Directors and Senior Management. The Board sets out the annual performance objectives, oversees the actions and results of management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's Governance Practices for enhancing the stakeholders value.

Meeting Schedule

The tentative schedule of the Board and Committee Meetings are decided in advance and informed to the Directors. Generally, the Board and Committee Meetings are held at Chennai, where the Corporate Office of the Company is situated. At times, it may also be convened in the registered office/other place depending on the convenience. The Meetings during the year were held mainly through video conferencing, to enable Directors to join the Meetings remotely, in case they were not able attend physically.



BOARD COMMITTEES

The Board has constituted various Committees with specific terms of reference and scope to support the Board in discharging its responsibilities. The process, procedures and standards adopted by the Company for Board Meeting(s) are applicable to Committee Meeting(s), to the extent applicable.

Minutes of proceedings of Committee Meeting(s) are circulated to the Members and placed before Board Meeting(s) for noting. The recommendations of the Committees are submitted to the Board for consideration/approval.

Audit Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 177 of the Act and Regulation 18 of SEBI LODR read with Part C of Schedule II of the said Regulations. The Committee's primary terms of reference inter-alia include to monitor and provide an effective supervision of the management's financial reporting process; ensure accurate and timely disclosures with the highest levels of transparency; ensure integrity and quality of financial reporting; ensure effective and efficient internal control systems etc.

The Committee met five (5) times during the FY 2023-24 on May 17, 2023, August 07, 2023, October 26, 2023, October 30, 2023 and February 07, 2024. The maximum time gap between

Corporate Governance Report (Contd.)

any of the two consecutive Meetings was not more than one hundred and twenty (120) days. The necessary quorum was present in all the Meetings. The composition of the Audit Committee, Meetings held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mrs. Soundara Kumar	Chairperson, Non-Executive Independent Director	5	5
Mr. M M Venkatachalam*	Member, Non-Executive Independent Director	5	4
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director	5	5
Mr. Sankar Krishnan	Member, Non-Executive Non-Independent Director	5	5
Mr. R S Agarwal*	Member, Non-Executive Independent Director	5	5
Justice P P S Janarthana Raja (Retd.)	Member, Non-Executive Independent Director	5	5

*Retired on March 31, 2024, after completing their two consecutive term of five years each in office.

The Chairman of the Board, Whole Time Director, Chief Executive Officer, Chief Financial Officer and Chief Operating Officer are invitees to all the Meetings of the Audit Committee and have attended all the Meetings respectively. The Company Secretary is the Secretary to the Committee. The Statutory Auditors and the Internal Auditors are invited to the Meetings of Audit Committee during results consideration. They have attended all Meetings held during the year where the results were considered.

During the year, the Board in its Meeting held on February 07, 2024 had reconstituted the composition of the Committee w.e.f. April 01, 2024. Accordingly, the composition of the Committee consists of:

Composition	Category
Mrs. Soundara Kumar	Chairperson, Non-Executive Independent Director
Justice P P S Janarthana Raja (Retd.)	Member, Non-Executive Independent Director
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director
Mr. Sankar Krishnan	Member, Non-Executive Non-Independent Director
Dr. M S Krishnan	Member, Non-Executive Independent Director
Dr. Aravind Srinivasan	Member, Non-Executive Independent Director

All the Members of the Committee are financially literate and possess accounting and related financial management expertise. The Audit Committee holds discussions with Statutory Auditors without the presence of management as and when required. Mrs. Soundara Kumar, Chairperson of the Audit Committee was present at the last Annual General Meeting ("AGM") held on August 10, 2023.

Stakeholders Relationship Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 178 of the Act and Regulation 20 of SEBI LODR read with Part D of Schedule II of the said Regulations.

The Committee met seven (7) times during the FY 2023-24 on April 13, 2023, April 20, 2023, May 02, 2023, July 24, 2023, September 02, 2023, December 26, 2023 and March 12, 2024. The necessary quorum was present in all the Meetings. The composition of Stakeholders Relationship Committee, Meetings held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. P R Venketrama Raja	Chairman, Non-Executive Non-Independent Director, Promoter	7	6
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director	7	7
Mr. P V Abinav Ramasubramaniam Raja	Member, Whole Time Director/ Executive, Non-Independent Director	7	7
Justice P P S Janarthana Raja (Retd.)	Member, Non-Executive Independent Director	7	7

Corporate Governance Report (Contd.)

The Chief Financial Officer is an invitee to all Meetings of the Stakeholders Relationship Committee. The Company Secretary is the Secretary to the Committee. Mr. P R Venketrama Raja, Chairman of the Stakeholders Relationship Committee was present at the last AGM held on August 10, 2023.

During the year, no Complaint was received from Members. As on March 31, 2024, there were no outstanding complaints pending to be resolved. The quarterly statements on Investor Complaints received and disposed of are filed with Stock Exchanges within 21 days from the end of each quarter/uploaded on the Company website, at the following weblink: <https://www.ramco.com/investor-relations/corporate-governance/statement-of-investor-complaints/> and the statement filed/uploaded is also placed before the subsequent Meeting of Board of Directors. Grievances received from investors and other miscellaneous correspondence/mandates, etc. are processed by the Registrar and Share Transfer Agent M/s. Cameo Corporate Services Limited immediately after due verification.

During the year, the Board in its Meeting held on February 07, 2024 had amended the terms of reference of the Stakeholders Relationship Committee. The terms of reference, powers, roles and duties of Allotment Committee are assigned to the Stakeholders Relationship Committee and the Allotment Committee is dissolved w.e.f. April 01, 2024. No change in the constitution of the Committee.

Amended terms of reference of Stakeholders Relationship committee w.e.f. April 01, 2024 includes the following but not restricted to:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed

dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

5. Various aspects of interest of shareholders, debenture holders and other security holders.
6. To allot shares and / or securities of the Company including under any Employee Stock Option Schemes (ESOS) / Employee Stock Purchase Schemes (ESPS) / Employee Stock Option Plans (ESOPs) / Public issue of Equity shares / Rights issue of Equity shares and Warrants / Debenture issues / Issue of Preference shares / ADR / GDR and any other issue of shares and or securities made by the Company from time to time.

Nomination and Remuneration Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 178 of the Act and Regulation 19 of SEBI LODR read with Part D of Schedule II of the said Regulations. The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Act, SEBI LODR and functions as mandated by the Board from time to time. The Committee's primary terms of reference inter-alia include to formulate the criteria for determining the qualifications, skills, positive attributes necessary for recommending/inducting Members on the Board/Senior Management, performance evaluation of Independent Directors, Board as a whole and that of its Committees, recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees.

During the year, the Board in its Meeting held on February 07, 2024 had approved the amended Nomination and Remuneration Policy. The said Policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Nomination%20and%20Remuneration%20Policy/ramco-nomination-and-remuneration-policy.pdf>.

In accordance with Regulation 5(2) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Company had designated the Nomination and Remuneration Committee as Compensation Committee for the purpose of Administration and Superintendence of the Company's Employee Stock Option Schemes, both present and future.

Corporate Governance Report (Contd.)

The Committee met four (4) times during the FY 2023-24 on May 17, 2023, July 03, 2023, August 07, 2023 and February 07, 2024. The necessary quorum was present in all the Meetings. The composition of Nomination and Remuneration Committee, Meetings held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. M M Venkatachalam*	Chairman, Non-Executive Independent Director	4	4
Mr. Sankar Krishnan	Member, Non-Executive Non-Independent Director	4	4
Justice P P S Janarthana Raja (Retd.)	Member, Non-Executive Independent Director	4	4

*Retired on March 31, 2024, after completing his two consecutive term of five years each in office.

All the Members of the Committee are Non-Executive Directors. The Company Secretary is the Secretary to the Committee. Mr. M M Venkatachalam, Chairman of the Nomination and Remuneration Committee was present at the last AGM held on August 10, 2023.

The Committee also administers the Company's Employees Stock Option Schemes. The details of shares held by Directors of the Company as on March 31, 2024 are given in this report in page no.85.

During the year, the Board in its Meeting held on February 07, 2024 had reconstituted the composition of the Committee w.e.f. April 01, 2024. Accordingly, the composition of the Committee consists of:

Composition	Category
Justice P P S Janarthana Raja (Retd.)	Chairman, Non-Executive Independent Director
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director
Dr. Aravind Srinivasan	Member, Non-Executive Independent Director

Evaluation Criteria

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, based on attendance, expertise and contribution brought in by the Independent Directors at the Board and Committee Meetings, which shall be taken into account at the time of re-appointment of respective Independent Director.

The key areas of evaluation of individual Directors, including Independent Directors are Knowledge of business, Diligence and preparedness, Effective interaction with others, Constructive contribution to discussion and strategy, Concern for stakeholders, Attentive to the internal control mechanism and Ethical conduct issues.

Additionally, for appointment or re-appointment of an Independent Director, NRC ensures that the candidate fulfils the criteria of independence as prescribed under the Act and the SEBI LODR, including independence from the management, at the time of giving its recommendation to the Board.

Remuneration to Directors

Remuneration of Non-Executive Directors is based on criteria such as their Committee position(s), attendance at Board/ Committee Meetings and performance evaluation. The

Directors are entitled to sitting fee, reimbursement of expenses incurred to participate in Board/Committee Meetings and other remuneration if any as approved from time to time.

The Non-Executive Directors were paid remuneration only by way of sitting fees for attending Meetings of Board and Committees thereof. Accordingly, an amount of Rs.30,000/- per Meeting was paid as sitting fee for attending the Board Meetings, Audit Committee Meetings and Meeting of Independent Directors. No sitting fee is payable for attending the Meetings of any other Committees of the Board till March 31, 2024.

The Board at its Meeting held on February 07, 2024, had approved to increase the payment of sitting fees to Directors for attending the Board Meeting, Audit Committee Meetings and Independent Directors Meetings from Rs.30,000 to Rs.50,000 per Meeting and also approved for paying sitting fees of Rs.25,000/- per Meeting to Directors for attending the other Committee Meetings from April 01, 2024.

The Members of the Company at the AGM held on August 10, 2022 had re-appointed Mr. P V Abinav Ramasubramaniam Raja as Whole Time Director for a period of 2 years with effect from June 04, 2022. The remuneration structure of Whole Time Director comprises of fixed monthly remuneration in the form of fees for professional services / sitting fees for attending

Corporate Governance Report (Contd.)

the Meetings. The remuneration is determined considering various factors such as qualification, expertise, roles, functions, responsibilities, prevailing remuneration in the industry, his position in the other Companies and the financial position of the Company.

(i) Remuneration paid to Non-Executive Directors during the FY 2023-24 are as follows:

Name of the Director	Board Meeting	Committee Meeting	In Rs.
			Total
Mr. P R Venketrama Raja	150,000	-	150,000
Mr. A V Dharmakrishnan	150,000	150,000	300,000
Mr. M M Venkatachalam	150,000	150,000	300,000
Mr. R S Agarwal	150,000	180,000	330,000
Mrs. Soundara Kumar	120,000	180,000	300,000
Mr. Sankar Krishnan	150,000	150,000	300,000
Justice P P S Janarthana Raja (Retd.)	150,000	180,000	330,000
Dr. M S Krishnan	30,000	30,000	60,000
Dr. Aravind Srinivasan	30,000	30,000	60,000

(ii) Remuneration paid to Executive Director during the FY 2023-24 are as follows:

Particulars of Remuneration	Name of Manager / WTD	
	Mr. P V Abinav Ramasubramaniam Raja	
Salary*		1,320,000
Retirement benefits		-
Bonuses		-
Stock Options		-
Performance Linked incentives		-
Sitting Fees		150,000
Total		1,470,000

*Represents: Fixed monthly remuneration in the form of fees for professional services

Note: Mr. P V Abinav Ramasubramaniam Raja is the Managing Director of Ramco Industries Limited from June 04, 2017. His aggregate remuneration drawn from both the Companies is subject to the higher of 5% of the net profits of the Company or Ramco Industries Limited. He drew a remuneration of Rs.4,03,51,699/- from (April 01, 2023 to March 31, 2024) Ramco Industries Limited.

(iii) Stock options granted to Non-Executive Non-Independent Directors:

During the year, no Stock Options were granted to Non-Executive Non-Independent Directors. Stock Options have so far been granted only to one Non-Executive Non-Independent Director, viz., Mr. A V Dharmakrishnan. The Stock Option details, issue price, exercise period etc. are given in Annexure II to the Board's Report.

The details of remuneration paid to Directors and Key Managerial Personnel are also given in Form MGT-7, which has been placed in the website of the Company and the same has been uploaded in the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/annual-return/>. The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded at the same link on the Company's website once the same is filed with Ministry of Corporate Affairs after the AGM. There are no pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the Company, other than fees being paid for attending Meetings.

Corporate Social Responsibility Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 135 of the Act. The Committee met one (1) time during the FY 2023-24 on May 17, 2023. The necessary quorum was present at the Meeting. The composition

Corporate Governance Report (Contd.)

of Corporate Social Responsibility Committee, Meeting held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. P R Venketrama Raja	Chairman, Non-Executive Non-Independent Director, Promoter	1	1
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director	1	1
Mr. M M Venkatachalam*	Member, Non-Executive Independent Director	1	1

*Retired on March 31, 2024, after completing his two consecutive term of five years each in office.

The Chief Financial Officer is an invitee to the Meeting of Corporate Social Responsibility Committee. The Company Secretary is the Secretary to the Committee. The Company has framed a CSR policy which is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Corporate%20Social%20Responsibility%20Policy/Corporate-Social-Responsibility-Policy.pdf> .

Mr. P R Venketrama Raja, Chairman of the Corporate Social Responsibility Committee was present at the last AGM held on August 10, 2023.

During the year, the Board in its Meeting held on February 07, 2024 had reconstituted the composition of the Committee w.e.f. April 01, 2024. Accordingly, the composition of the Committee consists of:

Composition	Category
Mr. P R Venketrama Raja	Chairman, Non-Executive Non-Independent Director, Promoter
Mr. Sankar Krishnan	Member, Non-Executive Non-Independent Director
Justice P P S Janarthana Raja (Retd.)	Member, Non-Executive Independent Director

The details of CSR activities carried by the Company, CSR spend and other details are given in the Board's Report.

Allotment Committee

The Board has constituted an Allotment Committee with the primary objective of allotment of shares and/or securities arising out of the stock option schemes, Rights Issues, Public Issues, Preferential Issues etc. The Meetings of the Committee are held on need basis.

The Committee met six (6) times during the FY 2023-24 on May 17, 2023, July 21, 2023, September 27, 2023, November 27, 2023, February 07, 2024 and March 19, 2024. The necessary quorum was present in all the Meetings. The composition of the Committee, Meetings held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. M M Venkatachalam*	Chairman, Non-Executive Independent Director	6	6
Mr. P R Venketrama Raja	Member, Non-Executive Non-Independent Director, Promoter	6	5
Mr. P V Abinav Ramasubramaniam Raja	Member, Whole Time Director/Executive Non-Independent Director	6	5

* Retired on March 31, 2024, after completing his two consecutive term of five years each in office.

The Chief Financial Officer is an invitee to all Meetings of Allotment Committee. The Company Secretary is the Secretary to the Committee. During the year, 191,965 shares were allotted by the Committee to eligible employees/option grantees of the Company and its subsidiaries pursuant to exercise of Stock options.

The Board in its Meeting held on February 07, 2024 had dissolved the allotment Committee and assigned the terms of reference, powers, roles and duties of Allotment Committee to the Stakeholders Relationship Committee w.e.f. April 01, 2024.

Corporate Governance Report (Contd.)

Risk Management Committee

The Committee constitution, powers, roles and terms of reference are in accordance with Regulation 21(5) of SEBI LODR read with SEBI vide its notification dated May 05, 2021.

The roles and responsibilities of the Committee includes the performance or functions specified in Part D of Schedule II of SEBI LODR. The Committee discharges the functions as envisaged for it by the Act, SEBI LODR and functions as mandated by the Board from time to time. The Committee's primary terms of reference inter-alia include to formulate a detailed risk management policy, to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems etc. The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Committee met two times during the FY 2023-24 on September 02, 2023 and February 21, 2024. The necessary quorum was present in all the Meetings. The composition of the Committee, Meetings held and attendance of the Members as on March 31, 2024 are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. P R Venketrama Raja	Member, Non-Executive Non-Independent Director, Promoter	2	2
Mr. M M Venkatachalam*	Chairman, Non-Executive Independent Director	2	2
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director	2	2
Mr. R Ravi Kula Chandran	Chief Financial Officer	2	2
Mr. Raghuveer Sandesh Bilagi	Chief Operating Officer	2	2

* Retired on March 31, 2024, after completing his two consecutive term of five years each in office.

The Company Secretary is the Secretary to the Committee. Details about Risk Management and weblink of Risk Management Policy are given in the Board's Report.

During the year, the Board in its Meeting held on February 07, 2024 had reconstituted the composition of the Committee w.e.f. April 01, 2024. Accordingly, the composition of the Committee consists of:

Composition	Category
Mr. P R Venketrama Raja	Chairman, Non-Executive Non-Independent Director, Promoter
Dr. M S Krishnan	Member, Non-Executive Independent Director
Mr. A V Dharmakrishnan	Member, Non-Executive Non-Independent Director
Mr. Abinav Ramasubramaniam Raja	Member, Executive Non-Independent Director
Mr. Subramanian Sundaresan	Member, Chief Executive Officer
Mr. R Ravi Kula Chandran	Member, Chief Financial Officer
Mr. Raghuveer Sandesh Bilagi	Member, Chief Operating Officer

Senior Management Personnel ('SMP')

In accordance with Regulation 16 (d) of SEBI LODR, the SMP have been identified and following is the list of SMP's:

Name	Designation
Mr. P V Abinav Ramasubramaniam Raja	Whole Time Director
Mr. Subramanian Sundaresan	Chief Executive Officer
Mr. Sandesh Bilagi	Chief Operating Officer
Mr. Ravi Kula Chandran R	Chief Financial Officer

Corporate Governance Report (Contd.)

Name	Designation
Mr. Srirama Raja	Chief Technology Officer
Mr. Vijayaraghavan N E	Company Secretary & Compliance Officer
Mr. Sanu Kottakkatt Samuel*	Senior Vice President - Head of transformation
Mr. Prashanth Vasu#	President & SBU Head - ERP, SRP & Logistics

* Appointed with effect from December 04, 2023 - #Resigned on November 30, 2023

Senior Management Personnel and other executives are invited to the Meetings of Board/Committees, as required and as and when necessary, to provide additional inputs.

Fund Raising Committee

The Board has constituted Fund Raising Committee with the primary objective of overseeing the entire fund raising program of the Company. The Meetings of the Committee are held on need basis. The Composition of the Committee comprised of Mr. M M Venkatachalam, Member, Non-Executive Independent Director, Mr. P R Venketrama Raja, Member, Non-Executive Non-Independent Director, Promoter, Mr. A V Dharmakrishnan, Non-Executive Non-Independent Director and Mr. P V Abinav Ramasubramaniam Raja, Whole Time Director/Executive Non-Independent Director. During the Year, no Meeting was held. Due to the retirement of Mr. M M Venkatachalam on March 31, 2024, after completing his two consecutive term of five years each in office, the Board in its Meeting held on February 07, 2024 had reconstituted the composition of the Committee by inducting Justice P P S Janarthana Raja (Retd.), Non-Executive Independent Director in place of Mr. M M Venkatachalam w.e.f. April 01, 2024.

GENERAL BODY MEETINGS

Annual General Meetings

The details of the last three AGM's of the Company and the Special Resolutions passed thereat are as under:

Month/ Date/Year	Time	Location	Special Resolution Passed
August 10, 2023	3:00 p.m.	Through Video Conferencing / Other Audio-Visual Means (VC/OAVM)	1. Re-appointment of Justice P P S Janarthana Raja (Retd.) as an Independent Director of the Company for another term of five (5) consecutive years i.e August 29, 2023 to August 28, 2028.
August 10, 2022	3:00 p.m.	Through Video Conferencing / Other Audio Visual Means	1. Re-appointment of Mr. P V Abinav Ramasubramaniam Raja as a whole time key managerial personnel in the position Manager with the designation as Whole Time Director for term of 2 years i.e June 04, 2022 to June 03, 2024 2. Approved the Employee Stock Option Scheme – 2022 3. Approved the grant of Stock Options to the employees of Group Company(ies) including its Subsidiary Company(ies) or its Associate Company(ies) in India and outside India of the Company under Employee Stock Option Scheme – 2022
August 19, 2021	3:00 p.m.	Through Video Conferencing / Other Audio Visual Means	No Special Resolution was passed

All the Resolutions were approved with requisite majority, the results were displayed on the website of the Company and necessary disclosures were made to the Stock Exchanges.

Corporate Governance Report (Contd.)

Extra Ordinary General Meetings (EGM)

No EGMs were held during the last three years.

Postal Ballot

The following special resolutions were passed through postal ballot during the FY 2023-24.

1. Appointment of Dr. M S Krishnan (DIN: 08539017) as Non-Executive Independent Director, for a period of 5 consecutive years commencing from February 07, 2024 to February 06, 2029; and
2. Appointment of Dr. Aravind Srinivasan (DIN: 00088037) as Non-Executive Independent Director, for a period of 5 consecutive years commencing from February 07, 2024 to February 06, 2029.

Mr. K.Srinivasan, Chartered Accountant (Membership No: 021510), Partner, M/s. M.S.Jagannathan & N.Krishnaswami, Chartered Accountants was appointed as the Scrutiniser ("Scrutiniser") for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

Resolution No.	Votes Cast Favour			Votes Cast Against		
	No. of Electronic Ballots voted	No. of Votes	Percentage of Votes	No. of Electronic Ballots voted	No. of Votes	Percentage of Votes
1	166	20,706,331	99.73%	15	55,056	0.27%
2	166	20,706,174	99.73%	14	55,169	0.27%

None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing of special resolution through postal ballot. No Special Resolution is proposed to be passed through Postal Ballot.

MEANS OF COMMUNICATION

Your Company provides prompt communication to all its stakeholders. Your Company interacts with Members through multiple channels of communication such as result announcements, Annual Report, media releases, audio/video calls, updating the information on Company's website.

Financial Results

Quarterly/Half-yearly and Audited Annual Results are provided to the Stock Exchanges and published in prominent daily newspapers viz. Business Standard (English edition) and Makkal Kural (Tamil edition) and are also displayed on the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/newspaper-publication/> and full results are provided in <https://www.ramco.com/investor-relations/financial-results>.

Annual Report

The Company's Annual Report is also uploaded on the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/annual-reports> in a user-friendly and downloadable form.

Press & Media Release/Publication of Results

The Company sends the copy of Press & Media Releases/ Publication of results to Stock Exchanges and also disseminates the

same on the Company's website at <https://www.ramco.com/investor-relations/disclosure-of-events/announcements>. An analysis of the various means of dissemination of information during the year are produced below:

Means of Communication	Frequency
Press/Media Release	19 times
Earnings Call/Investors Meet	4 times
Publication of Results	4 times

Investors/Analysts Interactions

The schedule of the Meetings of the investors/analysts are intimated in advance to the Stock Exchanges and disclosed on the Company's website. Gist of such Meetings/Calls and recordings of the same are intimated to the Stock Exchanges and also uploaded on the Company's Website.

Stock Exchange Compliances

The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) maintains separate online portals i.e. "NEAPS" and "Listing Centre" respectively for electronic submission of information by listed Companies. Various communications such as notices, press releases, the quarterly, half-yearly and annual compliances and disclosures are filed electronically on these portals. In addition, such disclosures and communications are hosted on the Company's website in accordance with SEBI LODR.

Corporate Governance Report (Contd.)

Dissemination

The Company has a policy on the Determination of Materiality for Disclosure of Events or Information. The said policy is available on the Company's website. Dissemination of the information is based on the Policy.

Intimation on KYC Update

In accordance with SEBI Circulars dated November 03, 2021, December 14, 2021 and January 25, 2022 regarding Common and Simplified Norms for processing Investor's Service request by RTA, it is mandatory for holders of physical securities to furnish PAN, full KYC details like address proof, bank details, e-mail address, mobile number etc., and Nomination (for all the eligible folios).

Further details on the same are provided in the Notice of 27th AGM and required disclosures were made available in the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/common-and-simplified-norms/> common-and-simplified-norms/. Members are requested to avail the services as per the requirements.



MANDATORY & DISCRETIONARY REQUIREMENTS

The SEBI LODR prescribes the various Corporate Governance requirements, both mandatory and non-mandatory. Your Company is in substantial compliance with the same.

Mandatory Requirements

The Company has complied with the mandatory requirements of Part C of Sub-Paras (2) to (10) of Schedule V of the SEBI LODR.

Discretionary Requirements

Company has adopted following discretionary requirements of SEBI LODR:

- a. Separate posts of Chairman
The posts of the Chairman, Whole Time Director and CEO of the Company are held by separate persons.
- b. Reporting of Internal Auditor
The Internal Auditor of the Company reports directly to the Audit Committee.
- c. Audit Opinion
The Company is already in the regime of Financial Statements with unmodified opinion.



MEMBERS INFORMATION

Corporate Identification Number	L72300TN1997PLC037550
Registration Number	18-37550 – Registered in the State of Tamil Nadu
Company Secretary & Compliance Officer	Mr. Vijayaraghavan N E No. 64, Sardar Patel Road, Taramani, Chennai – 600 113. Phone-. +91 44 2235 5558 E-mail: investorrelations@ramco.com
Listing on Stock Exchanges	BSE Limited, PJ Towers, Dalal Street, Mumbai 400 001. National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
International Securities Identification Numbers (ISINs) For Equity Shares For Warrants	INE246B01019 INE246B13014
Stock Code	BSE – 532370 NSE – RAMCOSYS
Securities suspended from trading	No
Annual Listing Fees	Listing fees for the FY 2024-25 have been paid to the BSE and NSE.
Annual Custody Fee and Annual Issuer Fee	Custodial Fee / Issuer Fee for the FY 2024-25 have been paid by the Company to NSDL and CDSL.
Designated Depository	CDSL has been appointed by the Company – for monitoring the Foreign Investment limits.

Corporate Governance Report (Contd.)

Financial Year	April 01 to March 31
Annual General Meeting 2024	At 10.00 a.m. on August 21, 2024 through Video Conference / Other Audio Visual Means.
Annual General Meeting 2025	Tentatively in July/August, 2025
Financial Reporting 2024-25 quarter ending June 30 September 30 December 31 March 31	Tentatively between end of July 2024 and August 14, 2024 between end of October 2024 and November 14, 2024 between end of January 2025 and February 14, 2025 between end of April 2025 and May 30, 2025
Outstanding GDR/ADR receipts or warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not raised any funds by way of GDR/ADR. During the FY 2022-23, 1,459,854 Warrants were issued to Mr. P R Venketrama Raja, Chairman / Non-Executive Non-Independent Director, Promoter and are being held as on March 31, 2024. These Warrants have to be compulsorily converted into equity shares on or before July 25, 2024. If all the Warrants were converted, the number of issued and paid-up shares would go up by 1,459,854.
Commodity price risks and commodity hedging activities	Nil. Since the Company is not dealing in any commodities.
Global Presence/Plant Location/R&D Centre	Given in page no.1 and in the last page of this Annual Report.
Credit Rating	Disclosed in the Board's Report.
Correspondence Details of Company & RTA	The Company address for Investor correspondence is provided in the 3rd row of this table and details of RTA are given below: M/s. Cameo Corporate Services Limited (Unit: Ramco Systems Limited) 'Subramanian Building,' No.1, Club House Road, Chennai – 600 002. Tamil Nadu, India Phone: +91 44 4002 0700 Online Investor Portal : https://wisdom.cameoindia.com Website : www.cameoindia.com

Market Price Data

The Company's monthly high and low share price data as well as the total turnover during each month in the FY 2023-24 on the BSE and NSE are as mentioned below:

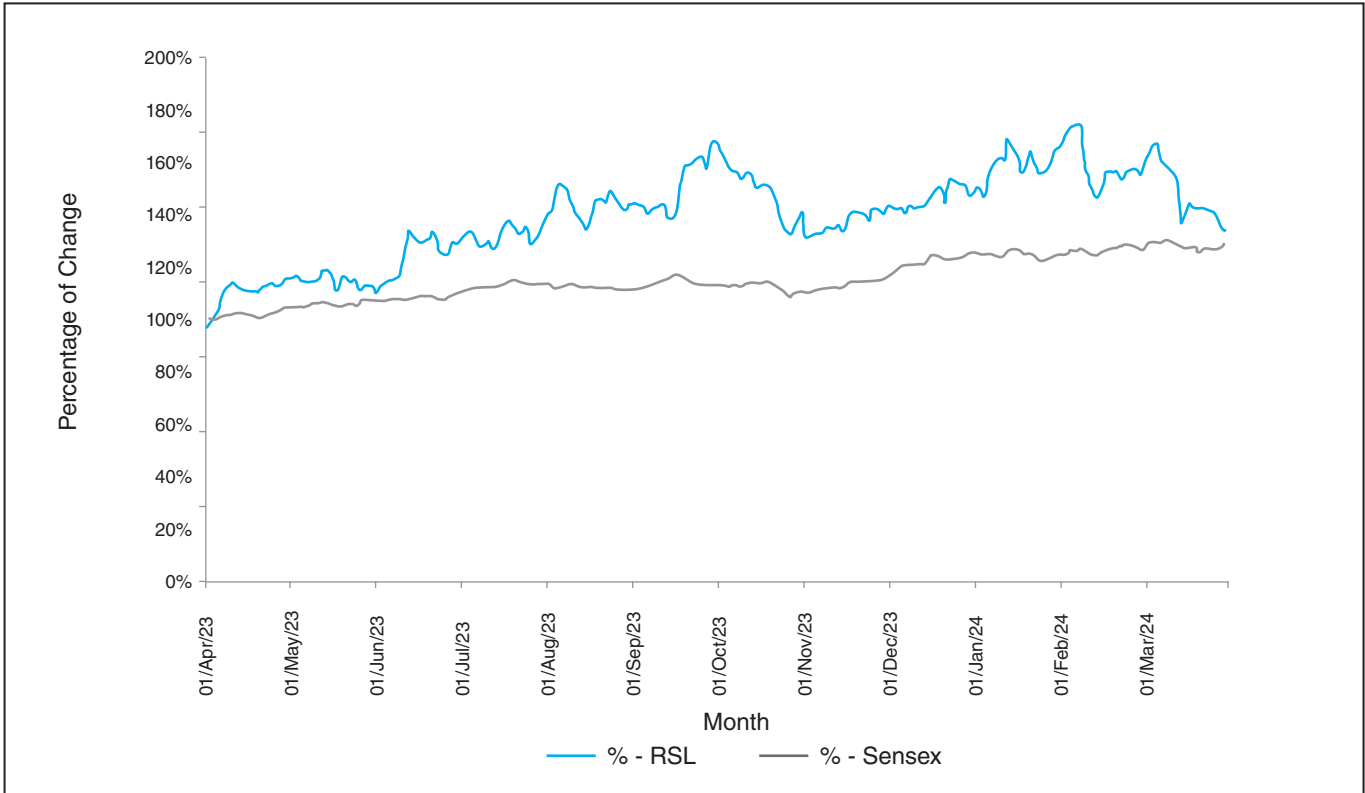
Month	BSE			BSE Sensex		NSE			NSE Nifty	
	Share Price (Rs.)		Volume Traded	High	Low	Share Price (Rs.)		Volume Traded	High	Low
	High	Low				High	Low			
Apr-23	230.00	190.45	87,668	61,209.46	58,793.08	231.45	190.80	1,513,782	18,089.15	17,312.75
May-23	243.45	209.10	167,004	63,036.12	61,002.17	243.50	209.30	2,507,815	18,662.45	18,042.40
Jun-23	272.00	218.95	317,165	64,768.58	62,359.14	272.40	218.30	3,814,476	19,201.70	18,464.55
Jul-23	284.70	245.85	314,215	67,619.17	64,836.16	284.70	248.00	3,936,196	19,991.85	19,234.40
Aug-23	307.80	263.05	371,835	66,658.12	64,723.63	307.95	264.30	5,415,820	19,795.60	19,223.65
Sep-23	336.55	269.85	533,291	67,927.23	64,818.37	335.90	268.80	7,441,703	20,222.45	19,255.70
Oct-23	330.50	248.95	198,965	66,592.16	63,092.98	327.90	248.40	2,234,541	19,849.75	18,837.85
Nov-23	293.95	258.00	111,612	67,069.89	63,550.46	293.15	256.30	1,643,164	20,158.70	18,973.70
Dec-23	308.60	274.80	188,246	72,484.34	67,149.07	309.00	268.00	2,084,046	21,801.45	20,183.70
Jan-24	346.70	287.00	377,695	73,427.59	70,001.60	346.70	287.05	4,084,313	22,124.15	21,137.20
Feb-24	356.65	280.15	260,527	73,413.93	70,809.84	357.00	280.45	3,542,573	22,297.50	21,530.20
Mar-24	336.95	262.05	151,752	74,245.17	71,674.42	336.80	262.50	1,467,519	22,526.60	21,710.20

Source: This information is compiled from the data available from the websites of BSE and NSE

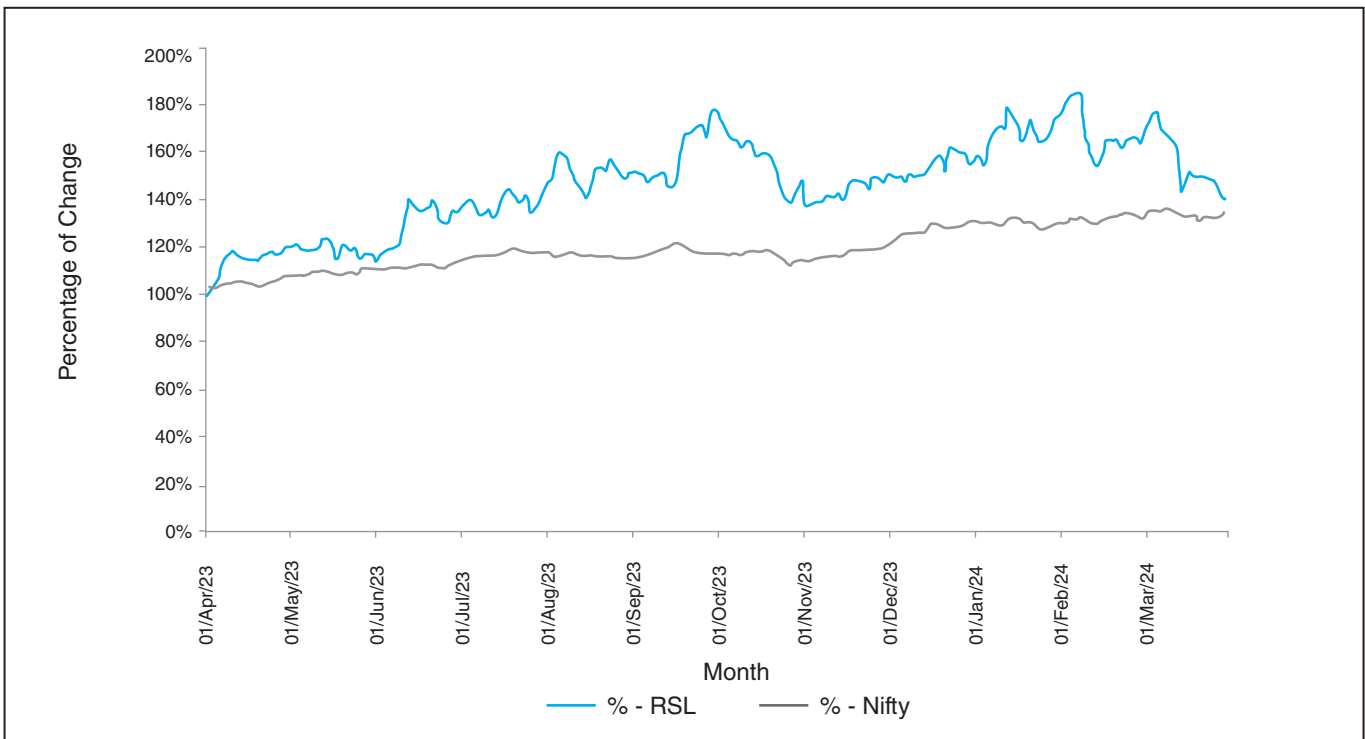
Corporate Governance Report (Contd.)

Performance in comparison to broad-based indices

Share price movement compared to BSE Sensex (closing price on last trading day of the month)



Share price movement compared to NSE Nifty (closing price on last trading day of the month)



Corporate Governance Report (Contd.)

Distribution of Shareholding

The Distribution of Shareholding of the Company as at March 31, 2024 is as follows:

Sl. No.	Holding range	Number of Members	% of total	Shares	% of total
1.	Between 1 and 500	33,050	92.68	2,501,122	7.06
2.	Between 501 and 1,000	1,315	3.69	1,001,205	2.83
3.	Between 1,001 and 2,000	613	1.72	900,409	2.54
4.	Between 2,001 and 3,000	234	0.66	595,917	1.68
5.	Between 3,001 and 4,000	97	0.27	345,623	0.98
6.	Between 4,001 and 5,000	79	0.22	368,577	1.04
7.	Between 5,001 and 10,000	131	0.37	972,223	2.74
8.	More than 10,000	140	0.39	28,734,645	81.13
	Total	35,659	100.00	35,419,721	100.00

Note: The number of Members is counted based on the individual folios.

Shareholding Pattern

Sl. No.	Category	Number of Members	Number of Shares Held	% held
1.	Promoter & Promoter Group	17	18,379,896	51.89
2.	Public	34,905	17,039,825	48.11
3.	Non-Promoter – Non-Public	-	-	-
4.	Shares underlying DRs and held by Employee Trust	-	-	-
	Total	34,922	35,419,721	100.00

Note: The above report is based on the Permanent Account Number. A detailed Shareholding Pattern is provided in Form MGT-7, which has been placed in the website of the Company and the weblink for the same has been disclosed in the Board's Report.

Share Transfer

M/s. Cameo Corporate Services Limited is the Company's Registrar and Share Transfer Agent ("RTA") for carrying out share related activities. Transfer of shares in electronic form are processed and approved by NSDL and CDSL through their Depository Participant ("DP") without the involvement of the Company.

Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only after processing the request received in prescribed form ISR 4 (available on the Company's website, at the following weblink: <https://www.ramco.com/investor-relations/investor-information/common-and-simplified-norms/>) for issue of Duplicate securities certificate; Transmission; Transposition, Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios etc., by issuing a Letter of Confirmation (LOC) to the concerned Member(s) for submission to their respective DP within 120 days from the date of issue of LOC for dematerialization of shares. For cases where the Member failed to submit the LOC to their DP within the

aforsaid period, the RTA has credited the shares to Suspense Escrow Demat Account of the Company. Accordingly, 157 shares of Rs.10 each has been credited to Suspense Escrow Demat Account in April 2023 and still lying the same account. It may be noted that any service request can be processed only after the folio is in KYC compliant.

The certificate on yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary, as required under Regulation 40 of the SEBI LODR, has been submitted to Stock Exchanges within stipulated time.

Online Dispute Resolution Portal ('ODR Portal'):

To streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute.

Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after

Corporate Governance Report (Contd.)

exercising the primary options to resolve the issue directly with the Company and through the SCORES platform. The circulars and the link to the ODR Portal is hosted in the website of the Company under this link : <https://www.ramco.com/investor-relations/investor-information/online-dispute-resolution-portal>

Dematerialization of Shares

99.72% of the Company's paid-up Equity Share Capital has been dematerialised as on March 31, 2024. Trading in Equity Shares of the Company is permitted only in dematerialised form. Details as of March 31, 2024 are as follows:

Mode of Holding	Number of Holders	Number of Shares	% of shares
NSDL	13,661	25,536,459	72.10
CDSL	21,777	9,785,798	27.63
Total Demat holding	35,438	35,322,257	99.72
Physical	221	97,464	0.28

In view of the benefits embedded in holding of the securities in demat form, the Members holding the shares in physical form are requested to demat their shares at the earliest.

Reconciliation of Share Capital

Reconciliation of Share Capital Audit was undertaken on a quarterly basis by a Practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL and the total issued, paid up and listed capital. The report thereof was submitted to the Stock Exchanges.

Liquidity

Company's Equity Shares are actively traded on both NSE and BSE. Trading activity of the Company's equity shares witnessed a decline during the FY 2023-24 (39,685,948 shares) as compared to FY 2022-23 (39,713,841 shares).

BOARD & GOVERNANCE RELATED

Code for Insider Trading

Your Company has formulated a "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives and Code of Practices & Procedures for Fair Disclosure" for Prevention of Insider Trading ("Code") in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (PIT Regulations). It aims at preventing insider trading activity by dealing in shares of the Company by its Designated Persons, their Immediate Relatives and Connected Persons. Designated

Persons and Immediate Relatives are governed by the Code. Apart from the event based disclosures, as per the Code, Designated Persons shall make disclosure of their holdings of shares to the Compliance Officer within 30 days from the end of every financial year. During the year, there has been due compliance with the Code.

Code for Fair Disclosure

Your Company has formulated "Code of Practices and Procedure for Fair Disclosure" (as part of above referred code) for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in accordance with PIT Regulations with an objective of protecting the interest of Members at large and preventing misuse of any UPSI. The Company has also framed Policy and Procedure for inquiry in case of leak or suspected leak of UPSI.

During the year, the Board in its Meeting held on February 07, 2024 had approved the amended Code, in turn the same has been filed with stock exchanges. The said Code & Policy were available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/Amended-Insider-Trading-Code%20-27-10-2021.pdf>.

Corporate Governance Certificate

A certificate from Practicing Company Secretary M/s. S.Krishnamurthy & Co., Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under SEBI LODR and a certificate from them confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority are forming part of this Annual Report.

The Company submits the quarterly compliance report on Corporate Governance to the Stock Exchanges, in the prescribed format within 21 days from the end of quarter duly signed by the Compliance Officer.

Compliance

Your Company is in due compliance with the provisions of applicable laws, Regulations, standards, Company codes & policies. In accordance with SEBI LODR, this is to disclose that, there have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.

Corporate Governance Report (Contd.)



OTHER DISCLOSURES

Whistle Blower Policy & Vigil Mechanism

Your Company's Whistle Blower Policy and established Vigil Mechanism is to enable the employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the policy. CEO is the corporate ombudsman, to administer the Vigil Mechanism. The Vigil Mechanism is overseen by the Audit Committee.

The Vigil Mechanism provides adequate safeguards to the whistle blowers against any victimization. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns. It also provides a mechanism for stakeholders to approach the Chairman of Audit Committee. During the year, no requests from any personnel for access to the Audit Committee were received by the Company and hence, the question of denial of such access did not arise. The Company's Whistle Blower Policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Whistle%20Blower%20Policy/ramco-whistle-blower-policy.pdf>.

Compliance Requirements	Compliance Status
Related Party Transaction ("RPT") Policy weblink	https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Related%20Party%20Transaction%20Policy/ramco-related-party-transaction-policy.pdf
Materially Significant Related Party Transaction (RPT) during the year	No such RPT made by the Company that may have potential conflict with the interests of the Company at large.
Material subsidiary Policy weblink	https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Material%20Subsidiary%20Policy/ramco-material-subsidiary-policy.pdf
Details of Material subsidiary	<ol style="list-style-type: none"> Ramco Systems Corporation, USA Incorporated on: October 01, 1992 Incorporated in: California, USA Name of Statutory Auditor: CNGSN & Associates LLP, Chartered Accountants, India Date of his appointment: July 18, 2003 Ramco Systems Australia Pty Ltd., Australia Incorporated on: August 20, 2012 Incorporated in: Victoria, Australia Name of Statutory Auditor: MCG Partners, Australia Date of his appointment: April 01, 2013 Ramco Systems Pte Ltd., Singapore Incorporated on: October 17, 1995 Incorporated in: Singapore Name of Statutory Auditor: Rohan . Mah & Partners LLP, Singapore Date of their appointment: October 17, 1995 Ramco Systems Ltd., Switzerland Incorporated on: July 28, 1995 Incorporated in: Basel, Switzerland Name of Statutory Auditor: Duttweiler & Partner, Wirtschaftspruefung AG, Switzerland Date of his appointment: December 09, 2008
Dividend Distribution Policy weblink	https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Dividend%20Distribution%20Policy/DIVIDEND-DISTRIBUTION-POLICY.pdf
Foreign Exchange Risk	Refer the Note no.33 of the standalone financials in page no.211.

Corporate Governance Report (Contd.)

Compliance Requirements	Compliance Status
Details of Utilization of Funds	The Company had raised Rs.130 cr. through preferential issue of equity shares and warrants during the FY 2022-23. As on March 31, 2024, entire proceeds were utilised. For details, refer page nos.49 & 217 of this Annual Report. There were no deviations in the use of proceeds from the objects. The Company did not raise any funds through Qualified Institutions Placement.
Recommendation of the Committees of the Board	All are accepted by the Board.
Sexual Harassment related Disclosures	There were no complaints received during the year and no complaints were outstanding at the end of the year. Refer Board's Report for related disclosures in page no. 55.
Loans and Advances to firms/companies in which Directors are interested	There are no loans and advances given to firms/companies in which Directors are interested. For loans and advances to others, refer Note no.no.12.1 of the standalone financials in page no.181.
Statutory Auditors Fees	The total fee paid by the Company during the FY 2023-24 is Rs.2.66 Mln. Refer Note no.26.2 of the standalone financials in page no.202.
SEBI Complaints Redress System (SCORES)	The investor complaints are processed in a Centralised web-based complaints redress system. Actions taken on the complaints and their current status are updated electronically in the SEBI SCORES system.
Unclaimed Suspense Account	Nil – Number of shares were lying in the Company unclaimed suspense account at the beginning & at the end of the year.
Disclosure of certain types of agreements binding listed entities	There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI LODR.

DISCLOSURES AND AFFIRMATIONS

CEO/CFO Certification

In accordance with Regulation 17(8) read with Part B of Schedule II of SEBI LODR, Mr. Subramanian Sundaresan, Chief Executive Officer and Mr. R Ravi Kula Chandran, Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board and the same is annexed to this report.

They also give quarterly certification on financial results while placing the financial results before the Board confirming that such financial results for the quarter/ year ended do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

Code of Conduct

The Company's Code of Conduct is applicable to all the Board Members and the Senior Management Personnel of Ramco. The duties of Directors including duties as an Independent Director as laid down in the Act also form part of the Code of Conduct.

During the year, the Board in its Meeting held on February 07, 2024 had approved the amended Code of Conduct. The said Code of Conduct is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/494075/PDF%20Download%20URL/Code%20of%20Conduct%20and%20Business%20Ethics/code-of-conduct-business-ethics.pdf> .

A declaration, signed by the Chief Executive Officer of the Company in accordance with Regulation 17(5) read with Schedule V(D) of SEBI LODR, confirming the Compliance is annexed to this report.

Directors & Senior Management Personnel

In accordance with Regulation 26(5) and 26(6) of SEBI LODR, Directors and Senior Management Personnel of the Company have affirmed compliance/make disclosure to the Board periodically that all material, financial and commercial transactions, if any, where they have personal interest that may have a potential conflict with the interest of the Company at large.

The various disclosures made in the Board's Report, may be considered as disclosures made under this report.

Declaration from the Chief Executive Officer under Regulation 17(5) read with Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As provided under Regulation 17(5) read with Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended March 31, 2024.

For RAMCO SYSTEMS LIMITED

SUBRAMANIAN SUNDARESAN

Chief Executive Officer

Place: Chennai

Date : May 21, 2024

Certificate from the Chief Executive Officer and Chief Financial Officer under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors Ramco Systems Limited

We, Subramanian Sundaresan, Chief Executive Officer and R Ravi Kula Chandran, Chief Financial Officer, do hereby affirm the following, pursuant to provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to the financial reporting during the year ended March 31, 2024;

1. We have reviewed the standalone and consolidated Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to our best of knowledge and belief, these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading; and these statements together, present a true and fair value of the Company's Affairs and are in compliance with the existing accounting standards, applicable Laws and Regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to such financial reporting and we have disclosed to the Auditors' and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and steps we have taken or steps proposed to rectify these deficiencies.
4. There were no instances on account of following, during the year ended March 31, 2024, which were required to be indicated to the Auditors' and the Audit Committee of the Company:
 - a. Significant changes, if any, in the internal control over the financial reporting.
 - b. Significant changes in the accounting policies during the year.
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For RAMCO SYSTEMS LIMITED

SUBRAMANIAN SUNDARESAN

Chief Executive Officer

R RAVI KULA CHANDRAN

Chief Financial Officer

Place : Chennai

Date : May 21, 2024

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

*[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To
The Members,
Ramco Systems Limited
[CIN: L72300TN1997PLC037550]
47, P.S.K Nagar, Rajapalayam – 626 108.

We have examined the compliance of the conditions of Corporate Governance by **RAMCO SYSTEMS LIMITED** (“the Company”) during the **financial year ended 31st March 2024**, as stipulated under the following Regulations/ Schedule of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”):

- (a) Regulation numbers 17 to 27 dealing with composition of the Board of Directors and its Committees, vigil mechanism, related party transactions and certain other matters;
- (b) Regulation numbers 46(2)(b) to 46(2)(i) dealing with the information to be disseminated on the Company’s website;
- (c) Part A of Schedule II dealing with the minimum information to be placed before the Board of Directors;
- (d) Part B of Schedule II dealing with the Compliance Certificates furnished by the Chief Executive Officer and Chief Financial Officer;
- (e) Part C of Schedule II dealing with the role of Audit Committee and review of information by the Committee;
- (f) Part D of Schedule II dealing with the role of the Nomination and Remuneration Committee, the Stakeholder’s Relationship Committee and the Risk Management Committee;
- (g) Paragraph C of Schedule V dealing with disclosures in the Corporate Governance Report;
- (h) Paragraph D of Schedule V dealing with the declaration signed by the Chief Executive Officer affirming compliance with the code of conduct by the Board of Directors and Senior Management Personnel; and
- (i) Paragraph E of Schedule V dealing with compliance certificate on conditions of corporate governance issued by Practicing Company Secretaries to be annexed to the Board’s report to the members.

The Company was required to comply with the said conditions of Corporate Governance on account of the Listing Agreements entered into with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for listing its equity shares pursuant to Regulation 15(1) LODR.

Management’s responsibility

The Company’s management is responsible for compliance with the conditions of corporate governance, maintenance of relevant records and making the prescribed statutory/ regulatory disclosures/ filings.

Our responsibility

Our responsibility is to broadly review the procedures adopted by the Company for ensuring compliance with the conditions of Corporate Governance and implementation thereof. Our review was neither an audit nor an expression of opinion on the financial statement of the Company.

Certificate

We hereby certify that, in our opinion and to the best of our information and based on the records furnished for our verification and the explanations given/representations made to us **by the Company, its officers and agents, the Company has, during the financial year ended 31st March 2024, complied with the applicable conditions of Corporate Governance.**

We further wish to state that our opinion regarding such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company during the said financial year.

For S Krishnamurthy & Co.,

Company Secretaries

[Firm Unique Identification No. P1994TN045300]

(Peer Review Certificate No. 739/2020)

K Sriram

Partner

Membership number: F6312

Certificate of Practice No:2215

UDIN: F006312F000417393

Date: 21st May 2024

Place: Chennai

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) read with Schedule V Para C (10) (i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Ramco Systems Limited
[CIN: L72300TN1997PLC037550]
47, P.S.K Nagar, Rajapalayam – 626 108.

We hereby certify, that, in our opinion, **none of the below named Directors** who are on the Board of Directors of **RAMCO SYSTEMS LIMITED** (“the Company”) **as on 31st March 2024, have been debarred or disqualified** from being appointed or continuing as Directors of Companies, by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs, Government of India (MCA):

S. No	Name of the Director	Nature of Directorship	Director's Identification Number
1	Pusapadi Ramasubramania Raja Venketrama Raja	Chairman, Non-Executive and Promoter	00331406
2	Poosapadi Venketrama Raja Abinavramasubramaniamraja	Executive	07273249
3	Arrakundal Velayutha Raja Dharmakrishnan	Non-Executive and	00693181
4	Sankar Krishnan	Non-Independent	01597033
5	Murugappan Muthiah Venkatachalam*	Independent	00152619
6	Radhey Shyam Agarwal*		00012594
7	Soundara Kumar		01974515
8	Posapadi Perumal Subba Raja Janarthana Raja		06702871
9	Mayuram Swaminathan Krishnan		08539017
10	Aravind Srinivasan		00088037

*Sri. Murugappan Muthiah Venkatachalam and Sri. Radhey Shyam Agarwal completed two consecutive term of 5 years each as Independent Directors on 31st March 2024 and have retired.

We are issuing this certificate based on the following, which to the best of our knowledge and belief were considered necessary in this regard:

- Information relating to the directors available in the official web site of MCA;
- Disclosures / declarations / confirmations provided by the said directors to the Company;
- Registers, records, forms and returns filed/ maintained by the Company; and
- Information, explanation and representations provided by the Company, its officers and agents.

Management's responsibility

The management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director on the Board of the Company.

Our responsibility

Our responsibility is to express an opinion on this, based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the process followed by the management of the Company with regard to appointment / continuation of a person as a Director of the Company.

For S Krishnamurthy & Co.,

Company Secretaries

[Firm Unique Identification No. P1994TN045300]

(Peer Review Certificate No. 739/2020)

K Sriram

Partner

Membership number: F6312

Certificate of Practice No:2215

UDIN: F006312F000417426

Date: 21st May 2024

Place: Chennai

Management Discussion and Analysis

Company Overview

Ramco Systems Limited (referred to as 'Ramco' or 'we' or 'Our Company') is a dynamic and disruptive enterprise software company. With our world-class SaaS-enabled platform & products, we have been disrupting the market successfully driving innovation and transformation. With over 25 years of relentless innovation, we continue to push boundaries and deliver cutting-edge cloud solutions that drive enterprise excellence.

At the heart of our comprehensive offerings, lies our rich and game-changing IP – the Ramco VirtualWorks® platform. This pioneering platform integrates cutting-edge technologies such as AI/ML, and Mobility, thereby enabling transformation and enhancing intelligent process automation and decision-making capabilities. This robust, future-ready foundation is central to our commitment to delivering an easy-to-use, best-in-class enterprise software, with enhanced user experience, scalability and stability.

Our solutions are tailored to address the unique complexities of diverse industries. This is while being

responsive, adaptive, and geared to maximise business value. Whether streamlining global payroll across 150+ countries, optimising aviation M&E, MRO operations, or enabling frictionless logistics, Ramco's industry centric functionality simplifies the most intricate challenges with ease.

Fuelling our success is a culture deeply rooted in innovation, consistently propelling us ahead of the curve. Our invest-to-win mindset, coupled with a deep understanding of industry nuances, empowers enterprises to achieve transformative growth through seamless tech initiatives. Through our tailored tech initiatives, we empower businesses to excel and evolve in an ever-changing landscape.

With a proven global footprint, domain expertise, and a firm focus on delivering excellence, we are a trusted partner enabling customers to gain a competitive edge. Thereby helping them realise their ambitious business goals in today's dynamic digital era.



Encompassing a Suite of Facilities for Clients

- Reimagining an Intelligent Enterprise
- Modernising Applications and Platforms
- Delivering Superior Customer Experiences



Offering a Comprehensive Range of Services

- Prompt Delivery Transformation and Organisational Agility
- Cloud Transformation and Migration
- Enterprise Application Integration
- AI & ML
- User Experience (UX) and User Interface (UI) Design



Serving Diverse Verticals Globally

- Aviation, Aerospace & Defence
- Manufacturing
- Real Estate & Construction
- Asset Management & Equipment Rental
- Logistics
- Cement & Allied Industries
- Facilities Management
- Staffing and Professional Services
- Ports

Industry Trends and Developments

Today, the business landscape is undergoing a seismic shift. This transformation is driven by cutting-edge technologies such as Artificial Intelligence (AI), Machine Learning (ML), Cloud Computing, and the Internet of Things (IoT). Organisations are embracing these innovations to stay competitive and deliver exceptional value to their customers.

At the forefront of this revolution is the adoption of AI and ML, including Generative AI 'Gen AI', which enable data-driven insights, automation, and hyper-personalised experiences through real-time analytics and learning systems. By leveraging these technologies, companies can proactively identify and cater to client demands, creating an integrated digital experience that fosters growth and customer satisfaction.

Similarly, Cloud Computing has emerged as a game-changer, offering scalability, cost-efficiency, and agility. The widespread adoption of Software as a Service (SaaS), has empowered organisations to meet critical business

requirements, reduce infrastructure costs, and accelerate time-to-market. Complementing this trend is the transformation of Data Analytics which has changed data collection and analysis, providing real-time insights into customer behaviour, operational efficiency, and supply chain management. These insights, coupled with the power of AI and ML, enable informed decision-making, optimising processes and driving innovation across various industries.

As a next-gen enterprise software player, we at Ramco are well-positioned to drive digital transformation by leveraging our expertise in multi-tenant cloud and mobile-based enterprise software solutions. By embracing AI & ML and Cloud Computing, we create integrated digital experiences, gain a competitive advantage, and redefine how we operate and deliver value. With our focus on innovation and commitment to fostering a culture that differentiates us in the marketplace, we continually strive to deliver cutting-edge solutions and exceptional service that drive our clients' success and set new industry standards.



Performance Review

At a global level, economic headwinds continued to pose challenges with organisations delaying decision-making amidst uncertainties. However, Ramco maintained resilience and forward momentum driven by our Company's innovative product portfolio, strategic partnerships, and cost optimisation measures.

Our focused turnaround efforts are beginning to yield results and reflect in our financials. We witnessed a healthy growth in our recurring revenue streams and cloud orders for our subscription-based SaaS solutions. The launch of our revolutionary Ramco Payce payroll platform set new benchmarks for efficiency, positioning us to capitalise on immense growth opportunities with this game-changing product.

A major operational highlight was the implementation of stringent deal review processes and cost-cutting initiatives since the start of the fiscal year. These programmes yielded annualised savings, fortifying our financial health and operational leanness.

On the partnership front, we joined hands with Deloitte and BDO India to offer unified global payroll solutions spanning over 150 countries through our cutting-edge platform Payce combined with their advisory expertise. Our new wholly-owned Qatar subsidiary will drive ERP, HR and payroll transformations for regional businesses and multinationals.

Our product roadmap continues to accelerate with Ramco Payce. It redefines payroll management through swift deployment, rapid processing capabilities and enhanced accuracy. We are also developing specialised solutions to cater to the engine MRO segment.

Moving ahead, we are enthused by the prospects unlocked by our product innovation excellence, strategic tie-ups expanding our global footprint, and a lean cost structure primed to drive profitable growth. We remain committed to empowering our customers with agile and insightful solutions that establish new business models and uncover opportunities amid market dynamics.

Ramco Global Payroll & HR

Payce, our powerful, modern, SaaS-enabled payroll platform leverages cutting-edge technologies like serverless in-memory, AI, ML and analytics. We automate payroll processing, enable payroll outsourcing, and provide self-service tools for employees. Designed as a flexible platform, Payce allows businesses to adapt their payroll processes quickly to workforce changes. The payroll segment generates around 40% of our revenue, and we expect it to



drive significant demand over the next couple of years, highlighting its strategic importance for our Company.

Highlights

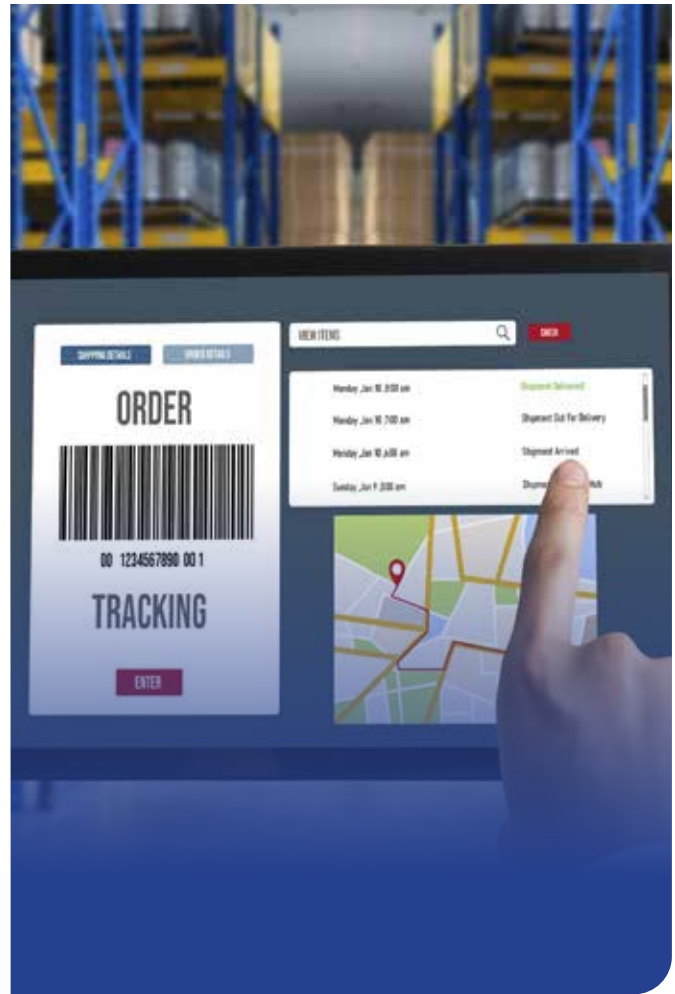
- Inked strategic partnerships with Deloitte Touche Tohmatsu India LLP and BDO India to redefine the landscape of payroll transformation
- Signed deal with Shearwater Health to streamline HR and payroll for 4000+ employees
- Partnered with a global insurance company to streamline multi-country payroll operations
- Selected by a global automotive parts supplier to manage payroll operations
- Signed deal with petrochemicals manufacturer to automate payroll processes
- Bagged 'Top Vendor' for HR & Payroll at Global Enterprise Connect Awards 2023
- Recognised as 'Leader' and 'Star Performer' by Everest Group's PEAK Matrix® for APAC
- Awarded 'High Performing Partnership' by ISG Paragon Awards™ ANZ
- Won HR Vendors of the Year Awards for Best Payroll Software and Best Payroll Outsourcing
- Awarded 'Most Innovative Company of the Year' at Asia CEO Awards 2023
- Recognised as a 'Leader' in NelsonHall's NEAT Assessment for Payroll
- Positioned as a 'Leader' in ISG's maiden Provider Lens™ for Payroll Solutions & Services

Ramco Aviation

Through our aviation software, we provide clients with innovative maintenance and engineering software solutions tailored to meet the niche demands of the industry. Our offering includes a comprehensive maintenance and engineering (M&E), and maintenance, repair and overhaul (MRO) solution. This is designed to meet both business and regulatory needs. Leveraging cutting-edge technologies like AI & ML, our best-in-class software tackles challenges head-on. Nearly a third of our revenue comes from this segment, where we serve top airlines, third-party MROs, helicopter operators, defence organisations, and urban air mobility companies, globally.

Highlights

- Partnered with Skytek to implement Aviation Suite V5.9, automating Skytek's operations
- Signed a deal with a major aircraft manufacturer to transform maintenance and engineering
- Bagged order from AIESL to digitally transform MRO and engineering operations
- Completed first phase of Aviation M&E MRO Suite V5.9 implementation at GA-ASI, providing end-to-end visibility
- Enabled HAS International to streamline CAMO, flight tracking, and Power-by-the-Hour
- Signed a multi-million-dollar deal with Korean Air to accelerate the tech transformation of its new engine maintenance complex



Ramco Logistics

We provide a comprehensive digital platform tailored to logistics service providers. This end-to-end, cloud-based system offers an integrated business solution that facilitates seamless goods transportation. It automates invoicing processes, enables revenue forecasting, and helps prevent revenue leakage. Thus, ensuring our clients can operate efficiently and in a streamlined manner. Our platform allows logistics companies to optimise their transportation operations through our advanced software capabilities.

Highlights

- Enabled a leading freight provider, with a cloud ERP platform for superior user experience, end-to-end visibility, and real-time operational excellence
- Third-largest retail customer went live in Indonesia in 8 calendar months with TMS & WMS
- A large 3PL logistics customer in ANZ reaffirmed its trust in Ramco Logistics. Signed a renewal contract for next 5 years

Ramco Enterprise Resource Planning

Our Enterprise Resource Planning (ERP) Software offers a comprehensive and centralised approach to managing business operations. By hosting all essential functions on a unified cloud platform, we facilitate an overarching view of the entire organisational landscape. Through end-to-end automation and integration of processes across departments, our ERP Software empowers organisations to drive innovation throughout their value chain. This holistic perspective enables businesses to optimise efficiency, minimise costs, and expedite product or service delivery, ultimately enhancing their competitiveness in the market. We take an integrated approach to help companies transform and streamline their operations.

Highlights

- › Signed a deal with one of India's leading integrated building materials companies for the ERP system

- › Ventured into the EV industry segment with a new-age energy generation, storage and processing technology solutions company selecting Ramco to streamline its business operations
- › Selected by a next-generation orthopaedic and spinal implant manufacturing company to automate their business operations and support them in their expansion journey
- › Witnessed significant traction in the cement manufacturing and discrete manufacturing verticals

Revenues by Geography

Our business team is relentlessly built on the growth momentum to capitalise on the improvement in order booking and generating global revenue. 76% of revenues were driven by business in international markets.



Financial Performance

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the previous financial year) in sector-specific key financial ratios, as well as any changes in return on net worth. The following have been identified by the Company as key financial ratios, which are tracked only at the consolidated level.

Particulars	March 31, 2024	March 31, 2023
Interest Coverage Ratio	(38.17)	(21.15)
Current Ratio	0.75	1.38
Debt-Equity Ratio (Including Lease Liabilities)	0.20	0.20
Operating Profit Margin	(45.17)%	(42.81)%
Net Profit Margin	(46.01)%	(42.02)%
Product Revenue to Total Revenue	44.66%	42.42%
Return on Net Worth	(77.70)%	(38.80)%
R&D Spend to Revenue	15.75%	22.28%
Outstanding (DSO in nos.)	52	83

Detailed explanation for significant changes in sector-specific key financial ratios and changes in Return on Net Worth:

Return on Net Worth: The net loss has increased to Rs.2,419.32 Mln from Rs.2,068.40 Mln. (refer PAT analysis given below) while equity attributable to equity holders of the parent has also decreased to Rs.3,113.69 Mln. from Rs.5,331.42 Mln., mainly due to current year loss, resulting in decrease in return on net worth to (77.70)% for the current year from (38.80)% during the previous year .

Operating Profit Margin (OPM): The OPM for the year worked out to (45.17)% as against (42.81)% due to decrease in EBIT compared to the previous year.

Net Profit Margin (NPM): The NPM for the year worked out to (46.01)% as against (42.02)% due to decrease in PAT compared to the previous year.



The decrease in the PAT is analysed below:

Particulars	Rs. Mln.
Increase in Revenue	336.08
Decrease in Other Income	(14.47)
Increase in Purchase of Stock in Trade	(18.81)
Decrease in Employee Cost Benefit	347.39
Increase in Depreciation and Amortisation Expense	(63.92)
Increase in Provision for Doubtful Debts	(649.72)
Increase in Other Expenses	(204.87)
Decrease in EBIT	(268.32)
Decrease in Finance Costs	37.38
Higher Taxes	(117.62)
Increase in Share of Profit of an Associate	0.43
Increase in Non-Controlling Interests	(2.79)
Decrease in PAT Attributable to Shareholders of the Company	(350.92)

Interest Coverage Ratio

The finance costs have gone down to Rs. 62.93 Mln. during the current year from Rs.99.61 Mln. during the previous year.

- The interest on loans and finance charges have decreased to Rs. 8.93 Mln. during the current year compared to Rs.45.78 Mln. during the previous year, on account of decrease in average borrowings.
- The interest on lease liabilities have marginally gone down to Rs. 53.30 Mln. during the current year compared to Rs. 53.83 Mln. during the previous year.

At the same time, the loss before interest and tax has significantly increased to Rs. 2,375.03 Mln. during the current year from Rs. 2,107.14 Mln. during the previous year.

The above had resulted in the deterioration in interest coverage ratio to (38.17) for the current year from (21.15) for the previous year.

Debt-Equity Ratio

The reduction in debt is mainly on account of the repayment of the entire borrowings of Rs.380 Mln., outstanding at the beginning of the year. However, the equity had also reduced correspondingly. Thus the ratio has marginally increased to 0.201 from 0.199.

Current Ratio

The Current Ratio has decreased by 45.65%, i.e., from 1.38 as at the end of the previous year to 0.75 as at the end of the current year. Current assets decreased significantly by 54.32% mainly due to (a) Increase in provision/write off for doubtful receivables/unbilled revenue and (b) Utilisation of the proceeds of preferential issue fully during the year from out of the opening balance, while current liabilities decreased only by 16.54%, on account of repayment of the entire borrowings.

Particulars	As at the End of the Current Year	As at the End of the Previous Year
Current Assets		
Trade Receivables	952.23	1,522.32
Other Financial Assets	488.27	1,305.55
Other Current Assets	393.70	1,310.39
Others	129.62	160.54
Total	1,963.82	4,298.80
Current Liabilities		
Borrowings	-	380.00
Trade Payables	720.59	691.92
Lease Liabilities	136.58	134.43
Others	1,745.55	1,912.20
Total	2,602.72	3,118.55
Current Ratio	0.75	1.38

Days Sales Outstanding

Days Sales Outstanding has reduced to 52 at the end of current year from 83 at the end of previous year primarily due to increase in provisioning coupled with improvement in collection of Trade receivables.



Challenges

Key Challenges	How Industry Can Tackle It
Managing Economic Uncertainties	Control costs, increase efficiency, strive for revenue growth
Adopting Emerging Technologies	Continually innovate, carefully evaluate risks and benefits of AI, ML
Attracting Top Talent	Offer flexibility, fulfilling roles to meet changing workforce demands
Environmental Responsibility	Develop well-defined sustainability strategies to address climate change
Data Privacy and Compliance	Implement strict data governance policies, adhere to regulations (e.g., GDPR)
Increasing Competition	Differentiate offerings, focus on customer experience, explore new markets
Rapid Technological Obsolescence	Continuous upskilling of workforce, invest in R&D, embrace agile practices
Geopolitical Tensions	Maintain business continuity plans, diversify operations geographically

Outlook

Our payroll platform segment is contributing nearly 40% to our overall revenue. With the introduction of Payce and strategic partnerships it is anticipated to become the primary driver of demand in our order book over the next 1-2 years. This positions our payroll solutions at the forefront of our business growth strategy. We are now targeting an accelerated growth trajectory by securing even larger deals with expanded country coverage and higher headcounts.

In the MRO space, we are focusing on the areas of airframe MRO, component MRO, and engine MRO. We expect these three areas to have tremendous potential, and we believe we are in the right place at the right time to seize the emerging opportunities.




Our Enterprise Software offerings, particularly our cement ERP solution, deliver great value to customers. This area is one of our key strengths and aligns closely with our larger group's deep expertise in the cement industry. Overall, our strategic investments in product modernisation, technology innovation, and partnership expansion position us favourably to capitalise on the growing demand for enterprise software and services across multiple domains. Thus paving the way for sustainable growth and industry leadership in the years ahead.

Risk Management

Ramco's risk management system identifies and monitors the key risks and their impact on global operations. The Risk Management Committee reviews the risks, their possible impacts, and the mitigation plan. Some of the major risks, their impact, and the mitigation plan include:



 <p>Intellectual Property Infringement</p>	<p>Our success is heavily dependent on our ability to protect our intellectual property, including patents, copyrights, trademarks, and trade secrets. There is a risk of unauthorised use or infringement of our Company's intellectual property by competitors or third parties, which could lead to loss of market share, revenue, and reputational damage.</p>	<p>Our Company has a dedicated team that actively monitors and enforces our intellectual property rights. We also employ robust measures to safeguard our trade secrets and proprietary information. We regularly review and update our intellectual property portfolio to ensure comprehensive protection.</p>
 <p>Cybersecurity Breaches and Data Privacy Concerns</p>	<p>As a technology company, Ramco is highly vulnerable to cyber threats, such as data breaches, malware attacks, and unauthorised access to our systems and networks. Such incidents could result in the loss or theft of sensitive customer data, intellectual property, or other critical information, leading to financial losses, regulatory penalties, and reputational damage.</p>	<p>Ramco has implemented extensive cybersecurity measures, including advanced threat detection and prevention systems, robust data encryption, and comprehensive incident response plans. We also regularly conduct security audits and employee training to enhance our cybersecurity posture. We prioritise data privacy and have implemented stringent policies and controls to ensure compliance with relevant data protection regulations in the jurisdictions that we operate within.</p>
 <p>Regulatory Compliance and Legal Risks</p>	<p>As a technology company, we must comply with a complex and ever-changing regulatory landscape, including data privacy laws, product safety standards, and industry-specific regulations. Failure to comply with these regulations could result in legal liabilities, fines, and reputational damage.</p>	<p>Ramco maintains a dedicated compliance team that closely monitors the regulatory environment. This team ensures that our Company's policies, processes, and operations are aligned with all applicable laws and regulations. We also seek legal counsel and advisory services to navigate the evolving regulatory landscape and mitigate potential legal risks.</p>
 <p>Changing Buyer Behaviour</p>	<p>Technology is rapidly evolving, transitioning from proprietary to open-source platforms. These disruptive changes impact industry dynamics and create new demands and expectations for exceptional services.</p>	<p>Our Company closely monitors industry changes, existing customer preferences, customer responses, technological advancements, and competitive products to drive suitable adjustments to our business strategy.</p>

 <p>Talent Acquisition and Retention Challenges</p>	<p>Attracting and retaining highly skilled, technical talent is crucial for our Company's success, as we operate in a competitive and rapidly evolving industry. Ramco faces the risk of losing key personnel to competitors or failing to recruit the necessary talent to support our growth and innovation initiatives.</p>	<p>Our Company, to address this risk, offers competitive compensation packages, opportunities for professional development, and a vibrant, collaborative work culture. We also invest in employee engagement programmes and succession planning to ensure a pipeline of qualified talent. Our Company's talent management strategies aim to create an environment that fosters employee loyalty and long-term commitment.</p>
 <p>Currency Volatility</p>	<p>A significant portion of our Company's revenue is generated in foreign currencies, while the majority of our expenses are incurred in Indian Rupees. As a result, exchange rate fluctuations can significantly impact our revenues, operating results, cash flows, and total assets, which are reported in Indian Rupees.</p>	<p>Ramco mitigates this risk by hedging our trade receivables in major currencies (USD, EUR, SGD, GBP, and AUD). The objective behind this is to minimise the volatility impact on realised exchange gains or losses.</p>
 <p>Economic and Political Conditions</p>	<p>Our Company operates in various jurisdictions and faces economic and political challenges, including changes in the political environment, GDP growth, inflation, major changes in economic policies and taxation, mobility constraints, and other factors. These can affect business growth and pose risks to our Company.</p>	<p>We strive to proactively avoid situations with political or other risks. We carefully assess local situations to minimise the impact of such risks on our growth strategies and the safety of our employees. Our Company has a global team of functional experts who focus on monitoring mobility regulations in various countries.</p>

Internal Control Systems

The Company has an internal control system, commensurate with the size and nature of its operations, which have been designed to provide reasonable assurance of recording the transactions of its operations in all material aspects and providing reliable financial and operational information, complying with applicable Laws and safeguarding the assets of the Company. The Company constantly reviews its processes and the systems to address the changing regulatory and business environments. The Company uses its own enterprise resource planning system for recording of accounting data and for management information purposes. The Company had aligned the internal financial control system with the requirement of Companies Act, 2013 ('the Act').

The Company has an external audit firm for carrying out the internal audit, based on a plan finalised in consultation with the statutory auditors and approved by the Audit Committee. The Internal Auditors directly report to the Audit Committee. The internal audit reports are submitted/presented in the Audit Committee and discussed. The Audit Committee also

obtains the views of the internal and statutory auditors to ascertain the adequacy of internal control systems. The statutory auditors have issued a report on the internal control over financial reporting (as defined in Section 143 of the Act). The Company had assessed the effectiveness of the internal control over financial reporting (in accordance with Regulation 17(8) of SEBI LODR) as of March 31, 2024. Based on its evaluation (in accordance with Section 177 of the Act and Regulation 18 of SEBI LODR), our Audit Committee has concluded that, as of March 31, 2024, our internal financial controls were adequate and operating effectively.



Our Client Portfolio

At Ramco, we take pride in our extensive and diverse client portfolio, which spans across various industries and geographies. Our commitment to innovation and excellence has allowed us to secure significant client wins over the past year, further strengthening our market presence.

Snapshot of some of the esteemed clients we serve



Forging Strategic Alliances – Strengthening Our Partner Ecosystem

Recognising the pivotal role of a robust partner ecosystem, we prioritise forging strategic alliances with industry leaders. These collaborations are instrumental in expanding our capabilities and extending our market reach, embodying our commitment to innovation and excellence. By pooling our expertise and resources with our partners, we deliver integrated solutions that create significant value for our clients.

Few of our major Partnerships

Workday



Partnership Overview

Completed Workday Global Payroll Certified Integration, seamlessly integrating Ramco's payroll solution with Workday's HR and financial management systems. This integration ensures streamlined payroll processes and compliance across our global operations.

Impact

Our clients benefit from enhanced payroll efficiency and accuracy, leveraging the combined strengths of our innovative payroll solutions and Workday's robust HR platform.

Deloitte



Partnership Overview

Collaboration with Deloitte India to redefine the payroll transformation landscape by combining Deloitte's consulting expertise with Ramco's advanced payroll solution. Together, we provide comprehensive payroll transformation services that drive operational efficiencies and compliance.

Impact

Our clients experience tailored payroll solutions that align with industry best practices and regulatory requirements, facilitating strategic payroll management and transformation.

Oracle



Partnership Overview

Ramco Global Payroll is available on the Oracle Cloud Marketplace, offering integrated payroll solutions that leverage Oracle's powerful cloud infrastructure. This collaboration enables us to deliver scalable and secure payroll management solutions to a broader client base.

Impact

Organisations can optimise payroll operations with seamless integration into Oracle's cloud ecosystem, ensuring enhanced flexibility and efficiency.

BDO



Partnership Overview

Partnered with BDO India to deliver cutting-edge technology bundled with associated services, and enable a world-class payroll experience. The partnership merges state-of-the-art technology, payroll computation & advisory, with an unwavering commitment to security and data privacy.

Impact

Our clients benefit from enhanced payroll accuracy, compliance, and efficiency, supported by BDO's extensive financial and advisory services expertise.

Business Responsibility and Sustainability Report

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a Company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility and governance practices, aiming to promote transparency and accountability.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L72300TN1997PLC037550
2.	Name of the Listed Entity	Ramco Systems Limited
3.	Year of incorporation	February 19, 1997
4.	Registered office address	No. 47, P.S.K Nagar, Rajapalayam – 626 108
5.	Corporate address	No. 64, Sardar Patel Road, Taramani, Chennai 600 113
6.	E-mail	investorrelations@ramco.com
7.	Telephone	044 2235 4510
8.	Website	www.ramco.com
9.	Financial year (FY) for which reporting is being done	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs.354,551,100/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Vijayaraghavan N E, Company Secretary & Compliance Officer Investorrelations@ramco.com 044-2235 4510
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Information and Communication	Computer programming, consultancy and related activities	100%



17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Writing, modifying, testing of computer program to meet the needs of a particular client excluding web page designing	62011	99.98%
2.	Providing software support and maintenance to the clients	62013	0.01%
3.	Data processing, hosting and related activities; Data processing activities including report writing	63111	0.01%

Note: Company is in the business of development and sale of Enterprise Resource Planning (ERP) software and providing related software services, including hosting and manage payroll services. The Company considers it as only one operating segment i.e. Software Solutions & Services. However, the break up given above is only to facilitate inputting the data for the purpose of filing in XBRL format.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
 National	NA	6	6
 International	NA	5	5

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	4
International (No. of Countries)	21*

*No of countries include locations where the Company has direct presence and presence through subsidiaries.

b. What is the contribution of exports as a % of the total turnover of the entity?

62.51%

c. A brief on types of customers

Ramco empowers organizations to embrace digital transformation through its innovative enterprise solutions. Our customer base primarily consists of business-to-business (B2B) entities. We provide cloud and mobile-based enterprise software in the following space:

1. Global Payroll & HR
2. Enterprise Resource Planning (ERP) to address the niche requirements for asset-heavy industries, Facilities Management and Logistics Service Providers
3. Maintenance & Engineering (M&E) and Maintenance, Repair and Overhaul (MRO) for Aviation, catering to the specific requirements of Airlines, MROs, Defense, Heli operators, and major Urban Air Mobility companies (including Electric Vertical Take-off and Landing (eVTOL), Drones/Unmanned Aircraft Systems (UAS))

IV. Employees

20. Details as at the end of FY:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)



EMPLOYEES

1	Permanent (D)	1,767	1,113	62.9%	654	37.0%
2	Other than Permanent (E)	86	47	54.6%	39	45.4%
3	Total employees (D + E)	1,853	1,160	62.6%	693	37.4%

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)



WORKERS

4	Permanent (F)	NA				
5	Other than Permanent (G)					
6	Total workers (F + G)					

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)



DIFFERENTLY ABLED EMPLOYEES

1	Permanent (D)	4	4	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D + E)	4	4	100%	-	-



DIFFERENTLY ABLED WORKERS

4	Permanent (F)	NA				
5	Other than Permanent (E)					
6	Total differently abled workers (F + G)					

21. Participation/Inclusion/Representation of women

Particular	Total	No. and % of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	10*	1	10%
Key Management Personnel	4	-	-

*Includes Mr. M M Venkatachalam and Mr. R S Agarwal who retired on March 31, 2024, after completing their term of two consecutive five years each in office.

Note: Mr. Abinav Ramasubramaniam Raja, Whole Time Director, is included both under Board of Directors & Key Management Personnel category.

22. Turnover rate for permanent employees and workers

Particular	FY 2023-24			FY 2022-23			FY 2021-22		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.03%	32.88%	28.57%	36.03%	36.75%	36.31%	39.57%	38.12%	38.99%
Permanent Workers	NA								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1.	Ramco Systems Corporation 100 Overlook Center, 2nd Floor, Princeton, NJ 08540	Subsidiary	98%	No
2.	Ramco Systems Limited Dorfplatz 3, CH – 4418, Reigoldswil Switzerland	Subsidiary	100%	No
3.	Ramco Systems Pte. Ltd. 79 Anson Road, #15-04/05, Singapore – 079906	Subsidiary	100%	No
4.	Ramco Systems Sdn. Bhd. 3B-5-3, Block 3B, Level 5 Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur – 50470 Malaysia	Subsidiary	100%	No
5.	RSL Enterprise Solutions (Pty) Ltd. 2nd Floor, Suite 56 & 03, 102 Stephen Dlamini Road. Musgrave, Durban- 4001	Subsidiary	100%	No
6.	Ramco Systems Canada Inc. 1111 West Georgia Street, 20th Floor, Suite 2019, Vancouver, BC – V6E 4G2, Canada	Subsidiary of Sl. No. 1	100% held by Sl. No.1	No
7.	Ramco Systems FZ-LLC. Suite No.210, 2nd Floor, BT Building, EIB 04, Dubai Internet City, PO Box: 500189, Dubai – U.A.E.	Subsidiary	100%	No
8.	R S L Software Co. Ltd. House number 306, Second Floor, Block 21, Riyadh, Khartoum, Sudan	Subsidiary	100%	No
9.	Ramco Systems Australia Pty Ltd. Level 17, 60, City Road, Southbank, Melbourne, VIC 3006, Australia	Subsidiary	100%	No
10.	Ramco System Inc. 17th Floor, BDO Equitable Tower, 8751 Paseo de Roxas Makati, (Pty.), 1227 Metro Manila, Philippines	Subsidiary	100%	No
11.	Ramco Systems (Shanghai) Co. Ltd. Room 214, Building 4, No. 110-120, Guangling 4th Road, Hongkou District, Shanghai.	Subsidiary	100%	No






Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
12.	PT Ramco Systems Indonesia The Executive Center, Suite 28 at Level 30, South Tower, Sampoerna Strategic Square, Jl. Jend. Sudirman Kav. 45-46, South Jakarta 12930, Indonesia	Subsidiary	100%	No
13.	Ramco System Vietnam Company Limited Room 24, 16th Floor, Saigon Tower, 29 Le Duan Boulevard, District 1, Ho Chi Minh City	Subsidiary	100%	No
14.	Ramco Systems Macau Limited Block G, 14th Floor, China Plaza, No. 762-804 Avenida da Praia Grande, Macao	Subsidiary of Sl. No.3	100% held by Sl. No.3	No
15.	Ramco Software Japan Limited 3-2-5-704, Ebisu, Shibuya-ku, Tokyo.	Subsidiary	100%	No
16.	Ramco Systems Defence and Security Incorporated 545 E John Carpenter FWY, Suite 900, Irving TX-75062	Subsidiary of Sl. No. 1	100% held by Sl. No.1	No
17.	CityWorks (Pty.) Ltd. No 5, Walnut Road, 3rd Floor, SmartXchange Building, Durban-4001, South Africa	Associate of Sl. No.5	30% held by Sl. No. 5	No
18.	Ramco Middle East for Information Technology Hamad Tower, 4th Floor, King Fahd Branch Road, Al Olaya, Riyadh 12212, Kingdom of Saudi Arabia	Subsidiary	100%	No
19.	Ramco System LLC. Office 223 Desk 01 and 03, 2nd Floor, Regus Building, D Ring Road, Old Air, Regus Business Centre, No. 65, Doha, Qatar	Subsidiary	100%	No
20.	Ramco System Korea Company Limited #6036, 584, Gangnam-daero, Gangnam-gu, Seoul, Korea	Subsidiary	100%	No



VI. CSR Details

24. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	No
(ii)	Turnover (in Rs. Mln.)	2,741.77
(iii)	Net worth (in Rs. Mln.)	7,564.16

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2023-24			FY 2022-23		
		Current FY			Previous FY		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	Yes	-	-	An email can be written to wecare@ramco.com and the matters shall be taken care of from there.	-	-	-
 Investors (other than shareholders)	Yes	-	-	An email can be sent to Investorrelations@ramco.com and the designated official for assisting and handling Investor and Shareholder grievances will handle the same.	-	-	-
 Shareholders	Yes	-	-	An email can be sent to Investorrelations@ramco.com and the designated official for assisting and handling Investor and Shareholder grievances will handle the same.	1	-	-
 Employees and workers	Yes	-	-	An email can be written to respective HR Heads and the matters shall be taken care of from there.	-	-	-
 Customers	Yes	2	1	The Company has an online tracking system to track all technical consumer issues during the lifecycle of the contract/ agreement with the Company. An escalation mechanism is set up to track all technical consumer issues.	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2023-24			FY 2022-23		
		Current FY			Previous FY		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Value Chain Partners	Yes	-	-	-	-	-	-
 Other (Communities)	Yes	-	-	An email can be sent to COCcompliance@ramco.com and the designated official for assisting and handling Employee grievances will handle the same.	-	-	-

* Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

<https://www.ramco.com/investor-relations/corporate-governance/policies-and-codes>

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Management	Risk	Even if they are not directly producing items, the software and IT industries require energy to operate their equipment and facilities. As a result, a Company's decisions regarding how much energy it consumes and where it originates from can influence how well it works and how dangerous its operations are.	At Ramco, we focus on energy efficiency and the transition to renewable energy sources. This not only reduces carbon emissions but also lowers our operational costs. It's all part of our aim to become carbon neutral, and we're taking deliberate steps to minimize both our total and specific energy consumption.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Climate Change	Risk	Climate change events, such as rising sea levels and harsher storms, pose physical hazards. They also introduce transitional issues, such as the need for additional renewable energy. These developments have the potential to have an impact on enterprises. Hence, it's critical to identify and mitigate these risks.	Ramco aims to achieve Net Zero and develop technology-driven solutions to help our customers address climate-related concerns.	Negative
3.	Diversity, Equity and Inclusion	Opportunity	When a Company's workforce is diverse and inclusive, it demonstrates that employees are respected and treated properly. Furthermore, having more diversity and inclusion allows businesses to advocate for marginalized groups, resulting in a positive reputation in the community.	-	Positive
4.	Human Rights	Risk	Companies that embrace human rights demonstrate their commitment to developing long-term, constructive connections with everyone affected by their operations, including consumers, communities, employees, and investors. This means they care about the individuals they interact with and strive for mutual benefit.	Ramco has a robust Human Capital Management (HCM) tool to enhance their HR procedures. This tool facilitates more effective competency planning and staffing.	Negative
5.	Digital Talent Empowerment	Opportunity	Empowering digital talent at work is vital because it provides people with new skills and chances to participate effectively, resulting in increased engagement and performance.	-	Positive
6.	Talent Acquisition, Development & Retention	Risk	A Company's high worker retention rates indicate that its rules and practices are effective. In contrast, a high attrition rate implies low employee satisfaction, which may concern investors. Taking care of employee well-being can enhance morale while lowering the costs of hiring and training new employees.	Ramco's fundamental goal is to create a motivated workforce that will improve corporate performance. We rely on talented people to meet client needs, maintain business sustainability, and drive future growth.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Education and Skill Development	Opportunity	Employee reskilling enables businesses to stay up with changing technological needs and continue growth. It produces a workforce that is adaptable, fast to learn, and ready to take on new duties as required by the firm.	-	Positive
8.	Customer Relations	Risk	Customer satisfaction is critical to business success because it indicates how well a Company meets or exceeds customer expectations. A negative customer experience can cost a firm a customer and damage its reputation, resulting in reduced sales and revenue.	Our success is dependent on establishing trust with clients. Ramco works year-round to develop customer relationships. We have dedicated customer service and quality teams to provide the highest possible level of client satisfaction.	Negative
9.	Risk Management	Risk	To stay ahead in a fast-moving market, we must be prepared to face unforeseen obstacles. Inefficient risk management practices could often result in fines from regulators, lost revenue from loss of customers, increased cost due to higher employee turnover, or lower stock values from a damaged reputation.	By implementing a robust enterprise risk management strategy, we manage both financial and non-financial risks while maintaining our competitive advantage in the market.	Negative
10.	Business Ethics and Compliance	Risk	An area of concern in corporate ethics is how issues such as fraud, executive misconduct, unethical practices, money laundering, and antitrust violations are handled by organizations. Ethics infractions can result in police investigations, large fines, settlements, and reputational damage.	Compliance with the laws of the respective country and areas in which we operate are critical to protecting business interest.	Negative
11.	Data Privacy and Security	Risk	Companies are evaluated based on extent of personal data collected, their compliance with privacy regulations, the risk of data breaches, and the measures to protect data.	Ramco uses data protection practices to keep customer data safe. Ramco has an ISO 27001 certified process in place.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Corporate Governance	Risk	Companies are evaluated on important governance metrics such as ownership, Board compensation, accounting, ethics, and tax transparency. This examination also investigates how Company governance and ethical policies affect shareholders and other investors.	Ramco Systems has strong corporate governance measures to reduce reputational and legal concerns. This aligns the Company's interests with those of its stakeholders, which contributes to our long-term purpose.	Negative
13.	Innovation	Opportunity	Innovative firms keep ahead of the competition and maintain relevance. They add value to their industry, answer client wants, and grow their market share.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1. a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. b	Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. c	Web Link of the Policies, if available	https://www.ramco.com/investor-relations/corporate-governance/policies-and-codes								
2.	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	ISO 9001: 2015 & ISO 20000-1:2018	-	-	-	-	-	-	ISO 27001 :2013*

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ramco is dedicated to delivering cutting-edge enterprise solutions that drive organizational transformation. Our focus on customer delight together with our commitment to innovation and fostering a culture of excellence sets us apart in the marketplace. As an organization, we have already implemented numerous best practices recommended by NGRBC. We have adopted BRSR reporting and conducted initial stages of materiality assessment, we aim to establish well-defined objectives and targets in the upcoming reporting period.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA								

* Valid upto May 2024, recertification is under process.

Governance, leadership and oversight

7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Dear Stakeholders,

As Ramco Systems Limited's commitment to embracing Environmental, Social, and Governance (ESG) practices for driving sustainable growth leads into the second year, our dedication to addressing ESG-related challenges and delivering maximum value to our stakeholders has been inspiring. We recognize the value of ethical business practices and their influence on our stakeholders and the world at large.

In continuing with this initiative, Ramco has implemented a variety of sustainable business practices that promote social responsibility and environmental care. We have taken proactive measures to install energy-efficient office equipment, encourage our staff to use sustainable means of transportation, and manage waste responsibly by recycling outdated electronic equipment. We think that even tiny efforts can create a huge positive influence on the environment.

With our emphasis on an Employee-Centric culture, we take pride in creating an inclusive and diverse work environment that prioritizes employee development, well-being, and diversity. We understand that our broad personnel pool provides distinct views and contributes to our overall performance. Ramco values and respects the diversity of its workforce and is committed to providing equal opportunities for all.

Ramco's Board and Management are committed to upholding responsible governance, integrity, and ethical conduct at all levels. We believe that robust governance processes are critical for achieving peak performance and establishing confidence with our stakeholders.

Moving forward, Ramco will continue to make a constructive contribution to ecological balance, societal development, and governance standards. We have successfully embarked on our ESG journey and remain committed to ensuring a sustainable future for future generations.

Thank you for your on-going support and confidence in Ramco Systems Limited.

P R Venketrama Raja

Director

Ramco Systems Limited

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

Mr. P R Venketrama Raja

DIN:00331406

Chairman of the Board is a Non-Executive Non-Independent Director and Promoter

Mr. Raghuveer Sandesh Bilagi, Chief Operating Officer Business Responsibility Head

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).

If Yes please provide details

CSR Committee consists of:

1. Mr. P R Venketrama Raja
(Chairman/Non-Executive Non-Independent Director)
2. Justice P P S Janarthana Raja (Retd.)
(Member/Non-Executive Independent Director)
3. Mr. Sankar Krishnan
(Member/Non-Executive Non-Independent Director)

10. Details of Review of NGRBCs by the Company

	Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Committee of the Board								
b.	Description of other Committee for performance against above policies and follow up action	NIL								
c.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Committee of the Board								
d.	Description of other Committee for compliance with statutory requirements of relevance to the principles and rectification	NIL								
	Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Annually								
b.	Description of other Committee for performance against above policies and follow up action	NIL								
c.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Annually								
d.	Description of other Committee for compliance with statutory requirements of relevance to the principles and rectification	NIL								
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).	No	Yes	No	No	No	No	No	No	Yes
	If yes, provide name of the agency.	-	ISO 9001: 2015 & ISO 20000-1:2018 is certified by TUV Rheinland	-	-	-	-	-	-	ISO/ IEC 27001:2013 is certified by TUV Rheinland.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					NA				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next FY (Yes/No)					NA				
Any other reason (please specify)					NA				

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the FY:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	4	Recent statutory pronouncements and business updates	100%
Key Managerial Personnel	5	Recent statutory pronouncements, business updates, Compliance updates - ESG and BRSR awareness sessions.	100%
Employees other than BOD and KMPs	900	Behavioral, Functional, Certifications, Leadership, Process and Technical Trainings	92%
Workers		NA	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the FY, in the following format

Monetary

Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.) (For Monetary Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NA		
Settlement					
Compounding fee					

Non Monetary

Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			There were no fines/ penalties/punishment/ award/ compounding fees/ settlement fees which were paid during the year.	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

Yes

If Yes, provide details in brief

The Company has an Anti-Corruption and an Anti-Bribery statement which is stated in the Company Code of Conduct (COC).

All employees of the Company need to comply with all applicable national and international anti-corruption Laws and Regulations and the Company is committed to the prevention, deterrence, and detection of fraud, bribery, and all other corrupt business practices.

If Yes, provide a web link to the policy, if available -Web link anti-corruption or anti bribery policy is place

<https://www.ramco.com/investor-relations/corporate-governance/policies-and-codes>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particular	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	NA	

6. Details of complaints with regard to conflict of interest:

Case Details	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no such cases/ issues during the year where taking corrective action was required.

8. Number of days of accounts payables in the following format:

Particular	FY 2023-24	FY 2022-23
Number of days of accounts payables*	47	50

* Trade payable (excluding accrued expenses and dues to subsidiaries).

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases & services with related parties / Total purchases & services)	20.28%	28.89%
	b. Sales (Sales to related parties / Total Sales)	53.93%	44.96%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	90.42%
	d. Investments	100%	97.51%

LEADERSHIP INDICATORS

2. Does the entity have processes in place to avoid/ manage conflict of interests involving Members of the Board? (Yes/ No)

Yes

If Yes, provide details of the same.



Yes, all the Directors provide annual declaration to adherence to code of conduct covering conflict of interest. Code of Conduct.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimize the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Particular	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
1	 R&D	30.20%	44.25%	These investments enables software product development which in turn help the customers to attain their sustainability goals.
2	 Capex	1.90%	2.64%	Capital investments in infrastructure, including energy efficiency and other environmental initiatives.

Note: Total Capex in PPE and Intangibles assets (other than R&D).

2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

b. If yes, what % of inputs were sourced sustainably?

0%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

For safely reclaiming the products for reusing, recycling and disposing at the end of life, we have a disposal system which fall under the E-waste category. Servers, Network, Storage, Desktops and laptops, which have become obsolete or which are declared as end of life by the manufacturer are the candidates meant for E-waste. These assets are either replaced or disposed through certified E-waste disposal partners that are retained for records.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

No

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,113	1,113	100%	1,113	100%	NA	NA	1,113	100%	0	0%
Female	654	654	100%	654	100%	654	100%	NA	NA	0	0%
Total	1,767	1,767	100%	1,767	100%	654	100%	1,113	100%	0	0%
Other than permanent employees											
Male	47	0	0%	0	0%	NA	NA	0*	0%	0	0%
Female	39	0	0%	0	0%	0*	0%	NA	NA	0	0%
Total	86	0	0%	0	0%	0	0%	0	0%	0	0%

*Other than permanent employees are recruited for a limited period of time. During their tenure with the Company, no persons have availed the maternity & paternity leave.

1. b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	NA										
Female	NA										
Total	NA										
Other than permanent Workers											
Male	NA										
Female	NA										
Total	NA										

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	1.53%	1.49%

Note: Staff welfare expenses are considered. Salaries & wages excluded.

2. Details of retirement benefits, for Current FY and Previous FY.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%		Yes	100%		Yes
ESI*	0 %		NA	0%		NA
Others – please specify**	100%		Yes	100%		Yes

*None of the employees are eligible for coverage under ESI.

** In addition to the above, the Company has Superannuation Scheme and National Pension Scheme, the participation in which, by the employees is optional and voluntary.



3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	Yes, the Company's premises are generally friendly to all disabled visitors and employees. The Company periodically reviews the requirements and takes necessary initiatives for improvement.
If not, whether any steps are being taken by the entity in this regard.	NA

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

If so, provide a web-link to the policy.	Yes, its mentioned in the handbook as well as BRSR Policy.
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5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	 Permanent Employees		 Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	96.15%	89%	NA	
Female	73.86%	88%		
Total	82.00%	88.50%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	If yes, then give details of the mechanism in brief
Permanent Workers		NA
Other than Permanent Workers		
Permanent Employees	Yes	The Anti-corruption and Anti-bribery policy mentions the employee grievance redressal mechanism, which states that any Company personnel should raise their concern directly to the Chief Human Resource Officer (CHRO) or shall be contacted via email at COCcompliance@ramco.com .
Other than Permanent Employees		

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C.)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/c)
Total Permanent employees						
Male	1,113	NIL	0%	1,146	NIL	0%
Female	654	NIL	0%	766	NIL	0%
Total Permanent Workers						
Male	NA					
Female	NA					

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)*	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (C / D)
Employees										
Male	1,113	305	27.40%	1,113	100%	1,146	311	27%	1,146	100%
Female	654	302	30.88%	654	100%	766	298	38%	766	100%
Total	1,767	507	58.30%	1,767	100%	1,912	609	32%	1,912	100%
*The actual number of employees trained, including those resigned, is greater than the total number of employees.										
Workers										
Male	NA									
Female	NA									
Total	NA									

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	1,113	1,069	96.0%	1,146	1,053	91.8%
Female	654	618	94.5%	766	724	94.5%
Total	1,767	1,687	95.5%	1,912	1,777	92.9%
Workers						
Male	NA					
Female	NA					
Total	NA					

10. Health and safety management system

- a. Whether an occupational health and safety (OHS) management system has been implemented by the entity? (Yes/ No)

Yes

If Yes, the Coverage such systems?

The Company attaches importance to OHS measures. Health & safety aspects are integrated into the corporate governance structure. We conduct wellness camps, have Employee Assistance Program (EAP) for our employees. We conduct fire drill and hygiene and sanitation are maintained and administered by Admin function

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company encourages its employees to report any work-related hazards to Admin and/or HR departments, on periodic basis and the department will take immediate steps to ensure it is well taken care of.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks? (Yes/ No)

Yes

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees are covered by a comprehensive health insurance benefit including coverage of pre-existing ailments that provides access to healthcare.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	NA	NA
Total recordable work-related injuries	Employees	-	-
	Workers	NA	NA
No. of fatalities	Employees	-	-
	Workers	NA	NA
High-consequence work-related injury or ill health (excluding fatalities)	Employees	-	-
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company conducts regular fire and safety drills, and has stationed fire wardens on every floor. Prescribed temperatures are maintained. Strict sanitation standards are adhered to ensure a clean workplace. The Company encourages employees to report any incidents or near-misses, so that these can be prevented as this information helps to identify areas where improvements can be made to prevent similar incidents in the future.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

There were no such cases in the FY where corrective action was required to be taken.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No/ NA)

No

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our stakeholder identification process involves recognizing and analyzing individuals or groups that impacts the Company, by its operations, and have a significant influence on the Company's success. This includes stakeholders such as customers, employees, investors, suppliers, regulatory authorities, local communities, and the environment. The Company assesses the impact it has on its stakeholders, such as providing innovative IT solutions, creating employment opportunities, fostering digital inclusion, and promoting responsible data management aligned with the Sustainable Development Goals (SDGs). This stakeholder-centric approach enables the Company to address their needs and concerns while working towards a sustainable future.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee	No	Email, SMS, Meetings, Website, social media, Circulars, etc.	Regular	Regular employee engagement including training and awareness, concern and queries, performance appraisals etc.
Customers	No	Email, SMS, Meetings, Website, Business interactions, Advertisement	Regular	Information about the product, hearing and resolving concerns and questions

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	Annual General Meeting, Investors Meet, Email, Website, Newspaper, Stock Exchange Filings, Letters etc.	Periodic	Performance of the Company and major highlights of the year and upcoming year
Suppliers & Vendors	No	Email, SMS, Business Meetings	Regular	Compliance, service quality, deadlines and due dates, concerns and queries
Government & Regulatory bodies	No	Email, Meetings, Website, Annual Report, Stock Exchange Filings, Industry Body Representations	As and when required	Periodic compliances
Local communities	May be (in some cases)	Onsite Community Meetings, Direct engagement through project teams	Regular	CSR Project Implementation and Success

PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Benefits	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)



Employees

Permanent	1,765	45	2.54%	1,912	100	5%
Other than permanent	86	0	0%	158	NA	NA
Total Employees	1,853	45	2.42%	2,070	100	4.8%



Workers

Permanent	NA
Other than permanent	
Total Workers	

2. Details of minimum wages paid to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,113	0	0%	1,113	100%	1,146	0	0%	1,146	100%
Female	654	0	0%	654	100%	766	0	0%	766	100%
Total	1,767	0	0%	1,767	100%	1,912	0	0%	1,912	100%
Other than Permanent										
Male	47	0	0%	47	100%	89	0	0%	89	100%
Female	39	0	0%	39	100%	69	0	0%	69	100%
Total	86	0	0%	86	100%	158	0	0%	158	100%
Workers										
Permanent										
Male	NA									
Female	NA									
Total	NA									
Other than Permanent										
Male	NA									
Female	NA									
Total	NA									

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10	300,000	1	300,000
Key Managerial Personnel	4	6,521,392	-	-
Employees other than BoD and KMP	1,113	1,227,934	654	675,134
Workers	NA			

Note: BOD comprises all Directors including Independent Directors. While calculating the median, the sitting fees paid to Non-Executive Directors and the remuneration & sitting fees paid to the Executive Director are considered. Mr. Abinav Ramasubramaniam Raja, Whole Time Director is covered under both, Board of Directors and KMP.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	29%	31%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the ESG Committee is responsible for addressing Human Rights impacts or issues caused or contributed by the business. An email can be written to esg@ramco.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Ramco Systems encourages the reporting of any suspicions or incidents related to modern slavery/human rights. We have established confidential reporting channels and mechanisms to ensure that individuals feel safe and supported when reporting

concerns. We will thoroughly investigate the reports and take appropriate actions in response to any substantiated findings of modern slavery. We will cooperate with relevant authorities and support victims as appropriate. Ramco provides multiple reporting channels for our employees, consultants, suppliers, and business partners. All our stakeholders are encouraged to raise concerns, and report modern slavery/human rights violation incidences (likely or occurred) through following channels:

- a. Raise a concern with supervisor or Ramco contact
- b. Reach out to head of ESG via the following channels:
 - i. In writing by email to esg@ramco.com (this option does not allow for anonymous reporting)
 - ii. People may also send an anonymous message by mail, addressed to Head of ESG

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labor	-	-	-	-	-	-
Forced Labor/Involuntary Labor	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Confidentiality: The complainant's privacy and confidentiality is protected during the process. counselling, time off, or reassignment to a different department or location if necessary.

Disciplinary Actions: If the complaint is substantiated, appropriate disciplinary actions against the accused party is taken. This may include reprimands, suspension, or termination.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)

Yes

10. Assessments for the year:

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%*

*Assessments done through Grievance redressal mechanism in respect of other than human rights related issues.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no such cases/issues arising from the assessments where taking corrective action was required.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

The workplace culture is inclusive, the Company revisits the policies on a regular basis based on performance reviews to ensure that fair and unbiased practices are followed. Various trainings such as Prevention of Sexual harassment and discrimination at workplace are also held at the workplace to ensure awareness is created which contributes to an inclusive workplace culture.

2. Details of the scope and coverage of any Human rights due-diligence conducted

NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? (Yes/No)

Yes. The Company's premises are generally friendly to all disabled visitors and employees. The Company periodically reviews the requirements and takes necessary initiatives for improvement.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasizes the importance of environmental stewardship. Companies should minimize their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	10,062	10,046
Total fuel consumption (E)	670.76	540.12
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	10,732.76	10,585.65
Total energy consumed (A+B+C+D+E+F)	10,732.76	10,585.65
Energy intensity per rupee of turnover (In Lakhs) (Total energy consumed / Revenue from operations)	0.3914	0.4272
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (In Lakhs)	8.955	9.773
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No
If yes, name of the external agency.		NA

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No).

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites/ facilities/ offices which are identified as designated consumers under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	10,434	9,274
(iv) Seawater / desalinated water	-	-
(v) Others (drinking water)	357	363.26
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	10,791	9,637.26
Total volume of water consumption (in kiloliters)	10,791	9,637.26
Water intensity per rupee of turnover (In Lakhs) (Total water consumption / Revenue from operations)	0.3935	0.3889
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (In Lakhs)	9.005	8.8978
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)		No
If yes, name of the external agency.		NA

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others		
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No
If yes, name of the external agency.		NA

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

No, considering the nature of the business, Zero Liquid Discharge Treatment does not apply to the Company.

If yes, provide details of its coverage and implementation.

NA

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Parts per Min. by volume	-	-
SOx	Parts per Min. by volume	-	-
Particulate matter (PM)	Microgram per cubic metre	-	-
Persistent organic pollutants (POP)	Microgram per cubic metre	-	-
Volatile organic compounds (VOC)	Microgram per cubic metre	-	-
Hazardous air pollutants (HAP)	Microgram per cubic metre	-	-
Others – please specify	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			No
If yes, name of the external agency.			NA

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	42.06	33.74
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	2,001.22	2,260.24
Total Scope 1 and Scope 2 emissions per rupee of turnover (In Lakhs) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0745	0.0926
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) (In Lakhs)		1.705	2.117
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			No
If yes, name of the external agency.			NA

8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)

NA

If Yes, then provide details.

NA

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tons)		
Plastic waste (A)	0.08	0.16
E-waste (B)*	5.22	2.72
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	2.12	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Newspaper & paper Waste	0.26	0.28
Waste paper, Tissue & other related Waste etc.	11.85	9.50
Total (A+B + C + D + E + F + G + H)	19.45	12.66
Waste intensity per rupee of turnover turnover (In Lakhs) (Total waste generated / Revenue from operations)	0.0007	0.0001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (In Lakhs)	0.0119	0.0029
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste	FY 2023-24	FY 2022-23
(i) Recycled	7.34	1.34
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	7.34	1.34
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste	FY 2023-24	FY 2022-23
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	12.18	0.441
Total	12.18	0.441
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No
If yes, name of the external agency.		NA

*Certain category of waste is not disposed.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We have established an E-waste disposal system that allows us to properly reclaim goods for reuse, recycling, and disposal at the end of life. Servers, networks, storage, desktops, and laptops that have become obsolete or have been designated end of life by the manufacturer are eligible for E-waste. These assets are either replaced or disposed through certified E-waste disposal partners that are retained for records. Additionally, we do not deal with hazardous or toxic chemicals in our products.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
NA				

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current FY:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable Environmental Laws/ Regulations/ Guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N/NA).

Yes

If not, provide details of all such non-compliances, in the following format:

Specify the Law/Regulation/ Guidelines which was not complied with*	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA			

*The Company is compliant with the applicable Environmental Laws/Regulations/ Guidelines in India. As a result, there were no fines/ penalties or actions taken by regulatory agencies such as pollution control boards or courts where taking corrective action was required.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

7

- b. List the top 10 trade and industry chambers/ associations (determined based on the total Members of such body) the entity is a Member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1.	Australian Payroll Association (APA), Australia	National
2.	Global Payroll Association (GPA), United Kingdom	National
3.	Global Payroll Management Institute (GPMI), United States of America	National
4.	National Association of Software and Service Companies (NASSCOM), India	National
5.	American Chamber of Commerce (AMCHAM), Singapore	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-		

Note: There were no cases/ issues related to anti-competitive conduct in the FY 2023-24 where taking corrective action was required.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

(This principle emphasizes the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalized groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-					

Note: There were no projects undertaken by the Company as it is not mandatory to conduct Social Impact Assessments.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

An email can be written to wecare@ramco.com and the related Committee (Corporate Social Responsibility Committee) shall take care of the matter from there.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particular	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	10.85%	15.51%
Directly from within India	69.39%	64.86%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural /semi-urban/urban/metropolitan)

Leadership Indicators

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In Rs.)
1.	Tamilnadu	Villupuram	9,000,000
2.	Tamilnadu	Cuddalore	2,000,000
3.	Tamilnadu	Kallakurichi	1,000,000
4.	Puducherry	Puducherry	2.430,000
5.	Tamilnadu	Virudhunagar	1,600,000

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Conservation of Tropical Dry Evergreen Forest	Due to the nature of the project, we cannot arrive at direct beneficiary figures for this projects.	100%
2.	Master plan for Rajapalayam Township	We cannot arrive at direct beneficiary figures for these projects as it directly or indirectly benefits the population residing in the Rajapalayam town and also ensures Zero carbon emission and ecological restoration.	
3.	Development of Sanjeevimalai Eco park		

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
 - The Company has a track system, an online tracking system to track all technical consumer issues during the lifecycle of the contract/ agreement with the Company.
 - An escalation mechanism is set up to track all technical consumer issues.
 - The reports of technical issues raised and responded are shared with the customers.
- Turnover of products and/ services as a % of turnover from all products/service that carry information about

Particular	As a % to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

Particular	FY 2023-24		Remark	FY 2022-23		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	2	1	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reason for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)

Yes

If available, provide a web link of the policy

We have a policy and framework in place. Additionally, we are ISO 27001 :2013 certified. <https://www.ramco.com/privacypolicy>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such cases have occurred requiring taking any corrective actions on advertising, delivering of essential services, cyber security and data privacy, re-occurrence of instances of product recalls, penalties or actions taken by regulatory authorities on safety of products / services.

7. Provide the following information relating to data breaches

- Number of instances of data breaches along-with impact : Nil
- Percentage of data breaches involving personally identifiable information of customers : Nil
- Impact, if any, of the data breaches: Nil

Leadership Indicator

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://www.ramco.com/investor-relations/disclosure-of-events/announcements>

Note: Amongst the prescribed Leadership Indicators, the Company has provided details only for selected indicators.

Financial Statements

Independent Auditor's Report

To the members of **Ramco Systems Limited**

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Separate ("Standalone") Financial Statements drawn in accordance with the Indian Accounting Standards of Ramco Systems Limited ("Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year ended on 31 March 2024 and a notes to the Standalone Financial Statements, including material accounting policies and other explanatory information ("Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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 Indian Accounting Standards, of the State of Affairs ("Financial Position") of the Company as at 31 March 2024, its Loss ("Financial Performance including Other Comprehensive Income"), Changes in Equity and its Cash Flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming

our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Intangible Assets

The Company's significant cash generating assets are Product Software and Technology Platform. Costs incurred in the development of the product, together with updates to the product functionality, development of new business components, upon completion of the development phase, have been classified as "Product Software". Similarly, costs incurred in the development of Technology Platform framework, together with updates to the technology platform functionality which would enable the Company to provide solutions in both standard and customized way, have been classified as "Technology Platform". These are disclosed under Intangible Assets.

The carrying value of intangible assets is subjected to evaluation based on its existing verticals and functionality and its ability to generate revenue in future for the foreseeable period. The carrying cost of Product Software and Technology Platform as on 31 March 2024 is Rs. 3,533.50 Mn (PY: 3,333.61 Mn).

Intangible assets related to product software and technology platforms represent a significant portion of the Company's total assets and play a critical role in its operations.

Intangible assets related to software and technology platforms are subject to rapid technological changes and market conditions, which could impair their value. Assessing the recoverability of these assets requires evaluating future cash flows and technological viability. Therefore, there is a risk of intangible assets being misstated due to variations in impairment assessments.

Determining the useful lives of software and technology platform assets and the method of amortization involves significant judgment. Changes in technology, market conditions, or usage patterns can affect the estimated useful lives, impacting amortization expenses.

The accounting for costs related to the development of product software and technology platforms involves specific criteria for capitalization. Ensuring that these costs are appropriately capitalized in accordance with Indian Accounting Standards is crucial.

Given the materiality, complexity, and judgment involved in the valuation, impairment, amortization, and capitalization

Independent Auditor's Report (Contd.)

of intangible assets related to product software and technology platforms, we have determined this to be a Key Audit Matter.

Auditor's Response

We have reviewed and verified the process of capitalization of Product Software and Technology Platform, its amortization and impairment. The Company amortizes the cost incurred in development of these intangible assets over its estimated useful life, which is determined as ten years. The Company also periodically reviews the carrying value to ascertain for any impairment and provides for impairment where required.

Our procedures focused on validating the current carrying value by:

1. Ascertaining the functional structure of the product software and technology platform and their reasonableness; and
2. (a) Evaluating the appropriateness of the revenue forecasts and operating cash flows that could be generated based on the current functionality of the product software and technology platform, included in the business forecast for the foreseeable future.
 - (b) Reviewing the reasonableness of the key assumptions including those driving the cash flows underpinning the analysis, by:
 - i) Comparing historical budget forecasts against actual results.
 - ii) Comparing forecast growth to business plans approved by the Board.

2. Investment in Subsidiaries

The Company has various overseas subsidiaries. The carrying cost of the investment in these subsidiaries under equity as on 31 March 2024 is Rs. 3,919.83 Mn (PY: 3,925.93 Mn). The investments in these subsidiaries are considered by the Company as long-term, strategic, and essential in nature in achieving the commercial objectives of the Company.

Investment in Subsidiaries represents a substantial portion of the Company's assets and financial position.

The valuation of investments in overseas subsidiaries involves assessing the subsidiaries' financial performance, market conditions, and economic factors in their respective countries. Additionally, these subsidiaries may face specific

risks such as political instability, economic downturns, or regulatory changes, which could impair their value.

Overseas subsidiaries are subject to various legal and regulatory requirements in their respective jurisdictions. Ensuring compliance with local laws, regulations, and accounting standards is essential, as non-compliance could result in financial reporting errors or legal consequences.

Given the materiality, complexity, and risks associated with the Investment in Overseas Subsidiaries, this is considered a Key Audit Matter.

Auditor's Response

We have evaluated the carrying cost of the investments in subsidiaries. In the process of evaluation, we have considered the Company's view that these are long-term, strategic and essential in nature. While evaluating the statement by the Company, we have considered the interdependency between the Company and its subsidiaries, the manner in which the operations are carried out by the Company and its subsidiaries. We have taken note of the fact that these subsidiaries have been established by the Company to meet the requirement of the customers to enter into contracts with the Company's local entities, and also the need to have local entities to comply with the work permit related requirements while deploying the Company's resources in such local entities.

Central to this evaluation is a detailed examination of the cumulative impact of amount of the subsidiaries' Retained Earnings on the Company's financial statements. Our conclusion reflects the careful consideration of these findings also.

3. Trade Receivables, Unbilled License Revenue and Unbilled Service Revenue

Trade Receivables

Trade receivables are amounts billed but not yet received. As on 31 March 2024, amount outstanding on this account is Rs. 619.61 Mn (PY: 844.21 Mn). Of this Rs. 397.54 Mn (PY: 519.57 Mn) is receivable from twelve subsidiaries.

Unbilled License Revenue

Revenue recognition in the case of Licenses is on delivery of the software and when the customer obtains a right to use such license. The revenue recognized over billing is classified as Unbilled License Revenue and grouped under Financial Assets (both Current and Non-Current). The amount outstanding as on 31 March 2024 is Rs. 0.10 Mn (PY: 266.61 Mn).

Independent Auditor's Report (Contd.)

Unbilled Service Revenue

Revenue recognition in the case of services is based on percentage of completion method. The revenue recognized over billing is classified as Unbilled Service Revenue and grouped under Other Assets (both Current and Non-current). The amount outstanding as on 31 March 2024 is Rs. 23.76 Mn (PY: 283.02 Mn).

Trade receivables represent Substantial part of Company's assets and revenue.

Assessing trade receivables involves judgment, especially in estimating allowances for doubtful accounts. This estimation requires considering factors like historical collections and economic conditions.

Unbilled Revenue needs careful evaluation of application of recognition criteria like transfer of control, contract fulfillment, terms, completion stage and completion of milestones.

There is a risk of revenue being recognized prematurely. Given the complexity and judgment required to assess the outstanding balances and the required provision, we consider this as a Key Audit Matter.

Auditor's Response

We have audited the Revenue recognition to ensure that it follows the stated policy. The outstanding amount has certain element of risk.

- i. In the case of Trade Receivable, there could arise a credit risk on account of default of the payment obligation by the customer, resulting in a financial loss.
- ii. In the case of Unbilled License Revenue, the risk could arise on account of inability of the Company to raise invoices on the stated timelines.
- iii. In the case of unbilled service revenue, the risk could arise on account of, (a) non-acceptance of the milestones delivered to the customer and, (b) the consequential inability of the company to invoice those milestones.
- iv. In respect of (ii) and (iii) above, once invoiced, there could arise credit risk as stated in (i) above.

The Company creates a provision for Trade Receivables and Unbilled License Revenue by using a 12-month ECL method based on simplified approach, along with ECL over lifetime of the assets by using a provision matrix which is based on the historical loss experience reflecting current conditions.

In the case of Unbilled Service Revenue, the Company creates a provision using a 12-month ECL based on simplified approach, where credit risk has not increased significantly. In other cases, the impairment is measured based on probability of default over lifetime.

In our evaluation of the key audit matters concerning Trade Receivables and Unbilled Revenue, we have undertaken a comprehensive analysis which includes the following:

1. A thorough examination was conducted by us, of the provision made by the company, a measure delineated by the Company as one-time provision after performing a strategic evaluation of all business units, considering various factors like project viability, ageing, decision to exit unprofitable solutions, customer descoping and country specific risks. We have factored in this provision into our evaluation alongside our analysis and the rationale behind it. Furthermore, we have taken into account the evolution of the Company's business model over the past two years, that has resulted in lowering the risk of Unbilled Revenue.
2. We have reviewed the credit risk policy of the Company. The implementation of such policy has been audited through audit / review of accounts through compliance and substantive testing of selected samples. The substantive audit procedures include ascertaining the contractual obligation of the customers, execution status of the selected projects and consequent recoverability, historical evidence of the ability of the Company in reviving certain stagnant projects.
3. We assessed the ageing of Trade Receivables and Unbilled Revenue, the customer's historical billing and collection patterns along with the technical status of the projects and whether any payments post year-end have been received up to the date of this report. We have also ascertained the key judgments and assumptions used by the Management in the recoverability assessment of Trade Receivables, Unbilled License Revenue and Unbilled Service Revenue.

INFORMATION OTHER THAN STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in

Independent Auditor's Report (Contd.)

the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our audit report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of the Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless Management and Board of Directors, either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We, also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

Independent Auditor's Report (Contd.)

significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- i. Planning the scope of our audit work and in evaluating the results of our work; and
- ii. To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purposes 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, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors as on 31 March 2024 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2024 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. We have enclosed our report in "Annexure B" with respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report (Contd.)

- i. The Company has disclosed the impact of pending litigations claims against the Company as at 31 March 2024 on its financial position in its Standalone Financial Statements – note no.32 in the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts that were required to be transferred by the Company to the Investor Education and Protection Fund.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding whether recorded in writing or otherwise, that the Intermediary shall:
 - Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”), or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”), or
 - Provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material misstatement.
- v. There is no dividend declared or paid during the year by the Company and hence the requirement of compliance with Section 123 of the Act does not arise.
- vi. The Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- h. With respect to the matter to be included in the Audit Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Chartered Accountants
Firm Registration No.: 001208S

K. SRINIVASAN

Partner
Membership No.: 021510
UDIN: 24021510BKAHCN9093

Chennai
21 May 2024

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Standalone Financial Statements of the Company for the year ended 31 March 2024)

We state the following after considering the information and explanations given to us by the Company and on the basis of examination of the records of the Company:

1. In respect of Company's Property, Plant and Equipment, Right-Of-Use Assets and Intangible Assets;
 - 1.1. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-Of-Use Assets. The Company has also maintained proper records showing full particulars of Intangible Assets.
 - 1.2. The Property, Plant and Equipment and Right-Of-Use Assets were physically verified during the year by the Company in accordance with the phased programme of verification which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed during such verification.
 - 1.3. The title deeds of immovable properties disclosed in the financial statements are held in the name of the Company (Other than the properties where the Company is a lessee, and the lease arrangements are duly executed in favour of the Company).
 - 1.4. The Company has not revalued its Property, Plant and Equipment (including Right-Of-Use Assets) and/or intangibles during the year and accordingly, we have nothing to comment as per the provisions of clause 3(i)(d) of the Order is not applicable to the Company.
 - 1.5. The Company does not hold any benami property and no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition Act), 1988 (45 of 1988) and rules made thereunder and accordingly, we have nothing to comment as per the provisions of clause 3(i)(e) of the Order.
2. Inventory and Working Capital
 - 2.1. The Company does not carry any inventory and accordingly, we have nothing to comment as per the provisions of clause 3(ii)(a) of the Order.
 - 2.2. The Company has been sanctioned Working Capital limits in excess of five crore rupees, in aggregate,

from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

3. Investments made, Loans given, Advances in the nature of loans given and guarantees / Securities provided during the year. The Company has not granted any loans or advances in the nature of loans, unsecured, to Companies, firms or Limited Liability Partnership during the year. The details of guarantees provided are given below.

- 3.1. To Subsidiaries, Joint Ventures, Associates and Others

Particulars	Aggregate amount provided during the year (Rs. in Mn)	Balance outstanding at the year-end (Rs. in Mn)
Guarantees provided to / on-behalf of Subsidiaries	112.18	281.86
Guarantees provided to Related Parties and others	124.05	129.90

- 3.2. The investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances are not prejudicial to the Company's interest.
- 3.3. The loans given to subsidiaries and interest due thereon are repayable on demand and hence the schedule of repayment is not applicable. The repayments and receipts have been regular when demanded.
- 3.4. There has been no amount overdue for more than 90 days in respect of loans given and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(d) of the Order.
- 3.5. No loan granted by the Company, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the existing loans given to the same parties and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(e) of the Order.
- 3.6. The company has not advanced any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, and accordingly, we have nothing to comment as per the provisions of clause 3(iii)(f) of the order.

Annexure A to the Independent Auditor's Report (Contd.)

4. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules made thereunder with regard to the deposits accepted from the public are not applicable and accordingly, we have nothing to comment with respect to provisions of clause 3(v) of the Order.
6. The Company is not required to maintain accounts and records which have been specified by the Central Government under Section 148(1) of the Act and accordingly the reporting under clause 3(vi) of the Order is not applicable to the Company.
7. Undisputed and Disputed Taxes and Duties
 - 7.1. The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
 - 7.2. The disputed statutory dues aggregating to Rs. 74.58 Mn. that have not been deposited on account of matters pending before appropriate authorities are as under:
8. There have been no transactions which were not previously recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments by the Company, under the Income Tax Act, 1961 and accordingly, we have nothing to comment as per the provisions of clause 3(viii) of the Order.
9. Default in respect of repayment of loans and interest during the year
 - 9.1. The Company has not defaulted in repayment of dues to financial institutions, Banks, Government, Debenture holders or any other lender.
 - 9.2. The Company has not been declared as a willful defaulter by any bank or financial institution or any other lender.
 - 9.3. The Company has not obtained any term loans during the year and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(c) of the Order.
 - 9.4. Funds raised on short term basis by the Company were not utilized for long-term purposes.
 - 9.5. The Company has not taken any funds from any entity or person on account of or to meet the obligations of the subsidiaries, joint ventures or associates and accordingly the reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
 - 9.6. The Company has not raised any loans during the year on the pledge of securities held in subsidiaries, joint ventures, or associate companies and accordingly, we have nothing to comment as per the provisions of clause 3(ix)(f) of the Order.

Name of the statute	Nature of dues	Financial year	Forum where dispute is pending	Amount in Mn
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	FY 2009-10 & FY 2013-14	Honorable High Court of Madras	45.52
Goods and Services Tax Act, 2017	Goods and Services Tax	FY 2017-18 & FY 2019-20	The Additional / Joint Commissioner of GST & Central Excise, Adjudication, Chennai	27.85
Finance Act 2015 (Service Tax)	Service Tax	April 2015 to June 2017	The Assistant Commissioner of Service Tax	1.21

10. Funds Raised
 - 10.1. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, we have nothing to comment as per the provision of clause 3(x)(a) of the Order.
 - 10.2. The Company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) during the year. The Company has made a preferential allotment in the immediate previous year and the entire funds raised were utilized until the end of the financial year, in accordance with the purposes for which they were raised.

Annexure A to the Independent Auditor's Report (Contd.)

11. Fraud and Whistle Blower System
- 11.1. We report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11.2. No report under sub-section (12) of Section 143 of the Act, has been filed by the auditors in respect of the Company, in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- 11.3. The Company's management has not received any whistleblower complaints during the year.
12. The Company is not a Nidhi Company and accordingly the reporting under clause 3(xii) of the Order is not applicable to the Company.
13. All the transactions with the related parties by the Company are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
14. The Company has an Internal Audit system commensurate with the size and nature of its business. The reports of the internal auditor have been taken into consideration.
15. The Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, we have nothing to comment as per the provisions of clause 3(xv) of the Order.
16. Registration
- 16.1. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- 16.2. The Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, we have nothing to comment as per the provisions of clause 3(xvi)(b) of the Order.
- 16.3. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- 16.4. The Group does not have any CIC as part of it and accordingly the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
17. The Company has incurred cash losses in the current year amounting to Rs.395.19 Mn and Rs.525.52 Mn in the immediately preceding financial year.
18. There has been no resignation of statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. Variations in ratios over 25% on comparison with previous year has also been disclosed in the notes accompanying financial statements.
20. CSR Compliance
- 20.1. There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act and accordingly, we have nothing to comment as per the provisions of clause 3(xx)(a) of the Order.
- 20.2. In respect of Ongoing projects, the Company has transferred CSR amount to a special account under section 135(6) of the Act, within the time prescribed under the Act.
21. None of the companies (other than Ramco Systems Limited, India) included in the Consolidated financial statements are incorporated in India, and hence the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to them. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

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

Chartered Accountants

Firm Registration No.: 001208S

K. SRINIVASAN

Partner

Membership No.: 021510

UDIN: 24021510BKAHCN9093

Chennai

21 May 2024

Annexure B to the Independent Auditor's Report

(Referred in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("Act")

OPINION

We have audited the Internal Financial Controls over financial reporting of Ramco Systems Limited ("Company") as of 31 March 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on 31 March 2024.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Director's are responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note ICAI. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITIES

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SAs"), issued by ICAI and

deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and Directors of the company; and

Annexure B to the Independent Auditor's Report (Contd.)

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of Internal Financial Controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal Financial Control over financial reporting may become inadequate because of

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

Chartered Accountants
Firm Registration No.: 001208S

K. SRINIVASAN

Partner
Membership No.: 021510
UDIN: 24021510BKAHCN9093

Chennai
21 May 2024

Balance Sheet

As at March 31, 2024

Particulars	Note No.	As at	As at
		March 31, 2024	March 31, 2023
		Rs. Mln.	Rs. Mln.
ASSETS			
Non-current assets			
Property, plant and equipment	8	155.57	179.87
Right-of-use assets	9	464.82	524.37
Intangible assets	10	3,568.25	3,373.53
Financial assets			
Investment in subsidiaries	11.1	3,919.83	3,925.93
Loans	12.1	0.05	-
Other financial assets	12.5	30.50	248.98
Tax assets (net)		9.00	9.08
Deferred tax assets (net)	13	165.11	97.17
Other non-current assets	14	5.30	1.03
		8,318.43	8,359.96
Current assets			
Financial assets			
Investments	11.2	-	100.31
Loans	12.1	0.98	128.87
Trade receivables	12.2	619.61	844.21
Cash and cash equivalents	12.3	86.03	64.17
Bank balances other than cash and cash equivalents	12.4	3.43	474.77
Other financial assets	12.5	10.40	169.55
Tax assets (net)		83.03	83.19
Other current assets	14	203.23	530.07
		1,006.71	2,395.14
Total assets		9,325.14	10,755.10
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	354.55	352.63
Other equity	16	7,209.61	8,208.72
Total equity		7,564.16	8,561.35
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	17.2	441.62	501.99
Trade payables	17.3	-	-
Total outstanding dues of creditors other than micro and small enterprises		-	33.38
Provisions	18	315.81	78.01
Other non-current liabilities	19	9.54	10.61
		766.97	623.99
Current liabilities			
Financial liabilities			
Borrowings	17.1	-	380.00
Lease liabilities	17.2	93.62	81.14
Trade payables	17.3	-	-
Total outstanding dues of micro and small enterprises		10.85	20.16
Total outstanding dues of creditors, other than micro and small enterprises		346.64	448.08
Other financial liabilities	17.4	56.31	3.97
Provisions	18	98.72	177.59
Liabilities for current tax		1.56	2.89
Other current liabilities	19	386.31	455.93
		994.01	1,569.76
Total liabilities		1,760.98	2,193.75
Total equity and liabilities		9,325.14	10,755.10
Notes Forming Part of Financial Statements			

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Statement of Profit and Loss

For the year ended March 31, 2024

Particulars	Note No.	Year ended	Year ended
		March 31, 2024	March 31, 2023
		Rs. Mln.	Rs. Mln.
INCOME			
Revenue from operations	20	2,741.77	2,478.15
Finance income	21	8.03	50.67
Other income	22	6.87	9.75
Total income		2,756.67	2,538.57
EXPENSES			
Purchase of stock-in-trade		10.29	2.29
Changes in inventories of stock-in-trade		-	-
Employee benefits expense	23	1,689.07	1,966.14
Finance costs	24	53.48	87.34
Depreciation, amortization and impairment expense	25	803.91	739.19
Other expenses	26	1,396.34	1,005.11
Total expenses		3,953.09	3,800.07
Profit / (Loss) before tax		(1,196.42)	(1,261.50)
Income tax expense	13		
Current tax (includes MAT)		1.18	3.21
Deferred tax (includes MAT credit)		(65.90)	(134.66)
Total income tax expense		(64.72)	(131.45)
Profit / (Loss) for the year		(1,131.70)	(1,130.05)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) of defined benefit obligations	23.1	(7.01)	(10.41)
Income tax on above item(s)	13	2.04	3.03
Fair value gain / (loss) on Equity Instruments through OCI		-	(15.00)
		(4.97)	(22.38)
(ii) Items that may be reclassified to profit or loss			
Effect of change in functional currency of foreign operations		(7.04)	(35.48)
Income tax on above item(s)		-	-
		(7.04)	(35.48)
Other comprehensive income for the year (i + ii)		(12.01)	(57.86)
Total comprehensive income for the year		(1,143.71)	(1,187.91)
Earnings per Equity Share of Rs.10 each			
Basic		(32.05)	(35.84)
Diluted		(32.05)	(35.84)
Weighted average equity shares used in computing earnings per share			
Basic		35,312,113	31,530,253
Diluted		35,312,113	31,530,253
Notes Forming Part of Financial Statements			

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Statement of Changes in Equity

For the year ended March 31, 2024

a. Equity share capital

	Nos. in Min.	Rs. Min.
Balance as at April 01, 2022	30.81	308.49
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the previous reporting period	30.81	308.49
Changes in Equity Share Capital during FY 2022-23 (refer note no. 15)	4.41	44.14
Balance as at March 31, 2023	35.22	352.63
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	35.22	352.63
Changes in Equity Share Capital during FY 2023-24 (refer note no. 15)	0.19	1.92
Balance as at March 31, 2024	35.41	354.55

b. Other equity for the year ended March 31, 2024

Particulars	Share application money pending allotment	Reserves & Surplus			Currency translation reserve	Remeasurement gains/ (losses) of defined benefit obligation	Fair value gain / (loss) on Equity Instruments through OCI	Money received against Share Warrants	Total other equity
		Securities premium	Employee stock options outstanding	Retained earnings					
As at April 01, 2023	-	7,842.33	388.80	(32.47)	(74.94)	-	(15.00)	100.00	8,208.72
Profit for the period	-	-	-	(1,131.70)	-	-	-	-	(1,131.70)
Other comprehensive income (OCI) / (losses)	-	-	-	(7.04)	-	(4.97)	-	-	(12.01)
Total comprehensive income / (losses)	-	7,842.33	388.80	(1,164.17)	(81.98)	(4.97)	(15.00)	100.00	7,065.01
Less: Transfer to Retained Earnings	-	-	-	(4.97)	-	4.97	-	-	-
Subscription to stock option schemes & preferential issue	0.06	-	-	-	-	-	-	-	0.06
Issue of share capital	-	12.37	-	-	-	-	-	-	12.37
Transfer on exercise of stock options	-	50.57	(50.57)	-	-	-	-	-	-
Share based payments for options granted	-	-	132.17	-	-	-	-	-	132.17
Issue of share warrants	-	-	-	-	-	-	-	-	-
As at March 31, 2024	0.06	7,905.27	470.40	(1,169.14)	(81.98)	-	(15.00)	100.00	7,209.61
Other equity for the year ended March 31, 2023									
As at April 01, 2022	-	6,675.74	198.48	1,104.96	(39.46)	-	-	-	7,939.72
Profit for the period	-	-	-	(1,130.05)	-	-	-	-	(1,130.05)
Other comprehensive income (OCI) / (losses)	-	-	-	(35.48)	-	(7.38)	(15.00)	-	(57.86)
Total comprehensive income / (losses)	-	6,675.74	198.48	(25.09)	(74.94)	(7.38)	(15.00)	-	6,751.81
Less: Transfer to Retained Earnings	-	-	-	(7.38)	-	7.38	-	-	-
Subscription to stock option schemes & preferential issue	-	-	-	-	-	-	-	-	-
Issue of share capital	-	1,156.86	-	-	-	-	-	-	1,156.86
Transfer on exercise of stock options	-	9.73	(9.73)	-	-	-	-	-	-
Share based payments for options granted	-	-	200.05	-	-	-	-	-	200.05
Issue of share warrants	-	-	-	-	-	-	-	100.00	100.00
As at March 31, 2023	-	7,842.33	388.80	(32.47)	(74.94)	-	(15.00)	100.00	8,208.72
Notes Forming Part of Financial Statements									

Note: Refer note. 16 for nature and purpose of reserves.

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**

Chartered Accountants

Firm Registration No.: 001208S

P R VENKETRAMA RAJA

Chairman

Rajapalayam

P V ABINAV RAMASUBRAMANIAM RAJA

Whole Time Director

R RAVI KULA CHANDRAN

Chief Financial Officer

SUBRAMANIAN SUNDARESAN

Chief Executive Officer

N E VIJAYARAGHAVAN

Company Secretary

SOUNDARA KUMAR

Director

Coimbatore

K SRINIVASAN

Partner

Membership No.: 021510

Place: Chennai

Date: May 21, 2024

Statement of Cash Flows

For the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
A. Cash flow from operating activities:		
Profit / (loss) before tax	(1,196.42)	(1,261.50)
Adjustments for :		
Depreciation and impairment of property, plant and equipment (PPE)	73.77	79.30
Amortization and impairment of intangible assets	631.75	569.55
Leased assets - Depreciation, impairment and finance costs	144.32	129.55
Share based payment accrual / (reversal)	132.17	200.05
(Profit) / loss on sale of PPE (net)	0.65	0.62
Bad debts / provision for doubtful debts & advances, net	314.19	109.22
Remeasurement of defined benefit obligations	(7.01)	(10.41)
Effect of exchange difference on translation of deferred tax & fixed assets	(0.01)	(0.03)
Effect of change in foreign currency translation reserve	(7.04)	(35.48)
Unrealized exchange (gain) / loss	46.03	2.30
Finance and investment income	(5.57)	(42.85)
Finance costs	7.50	42.21
Operating profit before working capital / other changes	134.33	(217.47)
Adjustments for :		
Increase / (decrease) in provisions	158.93	57.46
Increase / (decrease) in trade and other payables	(145.16)	39.72
Increase / (decrease) in other current liabilities	(18.35)	108.96
(Increase) / decrease in trade and other receivables	609.45	(169.29)
Cash generated from operations	739.20	(180.62)
Income tax paid	(1.01)	(1.29)
Net cash flow from / (used in) operating activities (A)	738.19	(181.91)
B. Cash flow from investing activities:		
Addition to tangible / intangible assets	(880.29)	(1,162.07)
Investment in subsidiaries (net) (refer note no.11.1)	6.10	20.59
Investment others	100.31	(100.31)
Proceeds from sale of PPE	3.71	1.38
Loans to subsidiaries (net)	128.87	376.21
Interest income on loans and deposits	5.83	38.26
Net cash flow from / (used in) investing activities (B)	(635.47)	(825.94)
C. Cash flow from financing activities:		
Proceeds from issue of Share Capital on account of issue of shares under employee stock option plans and preferential issue	14.25	1,201.01
Proceeds from long term borrowings	-	300.00
Proceeds from short term borrowings	712.61	4,727.62
Repayment of long term borrowings	(300.00)	-
Repayment of short term borrowings	(792.61)	(4,647.62)
Payment of lease liabilities	(132.66)	(125.19)
Finance income	(0.26)	4.59
Finance costs paid	(7.50)	(42.21)
Proceeds from issue of share warrants	-	100.00
Net cash flow from / (used in) financing activities (C)	(506.17)	1,518.20
Net increase / (decrease) in cash and cash equivalents [A+B+C]	(403.45)	510.35
Effect of unrealized exchange (gain) / loss	(46.03)	(2.30)
Net cash generated / (used in) for the year	(449.48)	508.05
Cash and cash equivalents at the beginning of the year	538.94	30.89
Cash and cash equivalents as at the end of the year	89.46	538.94

Statement of Cash Flows

For the year ended March 31, 2024 (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Components of cash and cash equivalents:		
Cash and cash equivalents (refer note no.12.3)		
Cash on hand	0.21	0.20
Balances with Banks		
In current accounts	85.82	63.97
Bank balances other than cash and cash equivalents (refer note no.12.4)		
Fixed deposits with Banks	-	467.39
Balance with Bank in Unspent CSR account (refer note no.28)	3.43	7.38
Balance as per statement of cash flows	89.46	538.94

Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Rs. Mln.

Particulars	Year ended March 31, 2023	Cash changes		Non-cash changes	Year ended March 31, 2024
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	80.00	712.61	(792.61)	-	-
Term Loan	300.00	-	(300.00)	-	-
	380.00	712.61	(1,092.61)	-	-

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	583.13	-	(132.66)	84.77	535.24
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Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Rs. Mln.

Particulars	Year ended March 31, 2022	Cash changes		Non-cash changes	Year ended March 31, 2023
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	-	4,727.62	(4,647.62)	-	80.00
Term Loan	-	300.00	-	-	300.00
	-	5,027.62	(4,647.62)	-	380.00

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	460.74	-	(125.19)	247.58	583.13
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Note: The cash flows from operating activities under the above Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash flows.

Notes forming part of financial statements

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Notes to Separate (Standalone) Financial Statements

For the year ended March 31, 2024

1. CORPORATE INFORMATION

Ramco Systems Limited (the "Company") is a public limited company domiciled and headquartered in India and incorporated on February 19, 1997, under the provisions of Companies Act, 1956. Its shares are listed in BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is located at No. 47, P.S.K Nagar, Rajapalayam 626108 and the corporate office and R&D center is located at 64, Sardar Patel Road, Taramani, Chennai 600113.

The 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.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III to the Act, and guidelines issued by the Securities and Exchange Board of India, wherever applicable.

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.

The financial statements of the Company for the year ended March 31, 2024 were approved and adopted by the Board of Directors of the Company in its meeting held on May 21, 2024.

3. PRESENTATION & ROUNDING NORMS

The financial statements are presented in Indian Rupees, which is the Company's functional currency, rounded to the nearest million ("Mln.") with two decimals, except when otherwise indicated. Figures less than ten thousands are shown as nil / hyphen ("-").

Previous year figures have been re-grouped / restated wherever it may be appropriate.

4. BASIS OF PREPARATION

4.1 The financial statements have been prepared under the historical cost convention on accrual basis

except certain instruments and defined benefit plan assets, share based payments that are measured at fair values or at amortized cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as the operating cycle for determining current and non-current classification of assets and liabilities in the Balance Sheet.

4.2 Foreign currency transactions

The functional currency of the Company is Indian Rupee. 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. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency exchange differences are generally recognized in the Statement of Profit and Loss ("P&L"), except where the foreign currency exchange differences require recognition through Other Comprehensive Income ("OCI").

4.3 Translation of financial statements of foreign branches

The functional currencies of foreign branches are the respective local currencies of their domicile. All income and expenditure transactions during the year are reported at a monthly moving average exchange rate for the respective periods. All assets and liabilities are translated at the rate prevailing on the Balance Sheet date. Net gain / loss on foreign currency translation is recognized in OCI.

5. RECENT PRONUCEMENTS

5.1 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

standards or amendments to the existing standards applicable to the Company.

5.2 Ind AS 1 - Presentation of Financial Statements

The details of amendment to the existing standards that are relevant to the Company with effect from April 01, 2023 are given below:

The amendment to Ind AS 1 on 'Presentation of financial statements' stipulates that the entity shall disclose material accounting policy information rather than significant accounting policies. Accounting policy information is considered material when accounting policy is related to a material transaction, event, or condition and involves either a change in accounting policy or one or more permissible accounting policy choices or accounting policy development in the absence of specific standard, or significant judgment or assumptions involved in applying such policy, or complexity of accounting requiring one or more application of Ind AS.

Accordingly, the Company has revised its accounting policy disclosures by specifically providing only material accounting policies ensuring no obscuring information. The above amendment has no financial effect on the Company.

5.3 The Government of India had enacted The Code on Wages 2019, The Industrial Relations Code 2020, The Occupational Safety, Health & Working Conditions Code 2020 and The Social Security Code 2020, subsuming various existing labour and industrial laws, but the effective date is yet to be notified. The impact of the legislative changes if any will be assessed and recognized post notification of relevant provisions.

6. MATERIAL ACCOUNTING POLICIES

a. Revenue recognition

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 P&L 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 judgment 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 standalone 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 standalone selling price, the Company uses expected cost-plus margin approach in estimating the standalone 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

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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.
- (e) **Royalty income**
Royalty income represents fees charged at arms-length basis on the revenue earned from external customers by the subsidiaries, by way of Software Licensing, Product Support Services, Subscription for Software as a Service and Application Maintenance Service, in respect of Company's Software Products. Such royalty income is recognized at the point of time at which the subsidiaries recognize the said revenue.

(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 P&L 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

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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.

(b) **Managed Services**

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

(c) **Contract balances**

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). The unbilled royalty revenue is also grouped here.

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.

(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.

b. Finance income

Finance income Interest on bank deposits/ investments (short term other than equity) is recognized on accrual basis. Interest income from financial assets is recognized using effective interest rate method.

c. Employee benefits expense

Short term employee benefits

Short-term employee benefits viz., salaries, wages, other benefits are recognized as an expense at the undiscounted amount in the P&L for the year in which the related service is rendered. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount, as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

When the stock options are exercised, the Company issues fresh issue of Equity Shares, upon receipt of exercise price from the option grantees. The proceeds received are allocated to Share Capital up to the face value of shares issued, with any excess being accounted as Securities Premium in the Balance Sheet. The cost of fair value determined at the grant date is expensed over the vesting period in the Profit and Loss.

Post-employment benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes and are expensed as an employee benefits expense in the P&L in the period in which the related service is provided by the employee.

The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organization, Government of India, at 12% of employee's basic salary.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

The Company contributes to Superannuation Fund / National Pension System (NPS) at a sum equivalent to 15% (not exceeding rupees one lakh fifty thousand per annum) and 10% respectively, of the eligible employee's basic salary, for those who have opted to participate based on the options exercised by them.

Contributions to Provident Fund, Superannuation Fund, and National Pension System (NPS) are recognized as an expense in the P&L for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

Defined Benefit Plan

The Company contributes to a defined benefit plan viz., an approved Gratuity Fund, for its employees including eligible employees in subsidiary companies. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Company makes annual contributions to the Gratuity scheme administered through the trust formed for the purpose. The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the Balance Sheet date using the "projected unit credit method".

Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to OCI in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted for in the P&L.

Other long term employee benefits

The Company provides for expenses towards compensated absences provided to its employees, while it is expected to be carried forward beyond twelve months as a long-term employee benefit, which is the amount of future benefit that employees have accumulated at the end of the year. The expense is recognized at the present value of the amount payable determined based on actuarial valuation by an independent external actuary as at the Balance Sheet date using the "projected unit credit method".

d. Income taxes

Current tax is the amount of tax payable or receivable on the taxable income or loss for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date.

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 Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

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 P&L is recognized in OCI.

e. Property, plant and equipments (PPE)

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 as indicated under Schedule II of the Act, over the useful life of the assets.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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

Asset type	Useful life in years
Building	60
Laptops and desktops	3
Servers and networks	6
Furniture and fixtures	10
Office equipments	5
Electrical items	10
Vehicles	8

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 P&L when the asset is de-recognized.

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. Leases

Company as a lessee

The Company recognizes right-of-use assets and a lease liability at the commencement date, except short term leases and low value leases. The Company's lease asset classes primarily consist of leases for Land, Buildings and Office equipments.

Right-of-use assets are depreciated on a straight line basis over the lease term. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability measured at amortized cost using the effective interest method. In calculating the present value of lease payments, the Company uses its incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the P&L if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance Sheet.

The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

Operating lease receipts are recognized in the P&L on straight-line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases.

g. Intangible assets

Intangible assets acquired from third party and the patents granted, are measured on initial recognition at cost.

The cost of development of software are capitalized and recognized as an Intangible asset, when the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and intends to use or commercially exploit. Subsequent expenditure is capitalized only when it increases the future economic benefits. Research costs and internally generated intangibles (excluding capitalized software development costs) are not capitalized and the related expenditure is reflected in the P&L in the period in which the expenditure is incurred.

The useful lives of intangible assets of the Company are assessed as finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the P&L when the asset is de-recognized.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as "Product software" under intangible assets. Similarly, costs incurred in the development of technology platform framework, which would enable the Company to provide solutions - both standard and customized - in an efficient manner, have been classified and grouped as "Technology platform" under intangible assets.

During the period of development and thereafter, the asset is tested for impairment annually.

The useful life of the above assets is estimated as under:

Asset type	Useful life in years
Self-generated R&D (Product software & Technology platform)	10
Computer software Patents	Lower of license period and 6 10

h. Financial Instruments

The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorized as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company.

Financial assets

Financial assets comprise of investments in equity and mutual funds, loans, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through P&L (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset. However, Trade receivables that do not contain a significant financing component are initially measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the P&L at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the P&L only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- (a) The Company's business model for managing the financial asset and,

- (b) The contractual cash flow characteristics of the financial asset:

Classification	Name of Financial Assets
Amortized cost	Trade receivables, Loans and advances, deposits, Interest receivable, unbilled revenue and other advances recoverable in cash or kind. These assets are subsequently measured at amortized cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains / losses and impairment recognition / de-recognition are recognized in P&L.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32), other than investment in subsidiaries as an irrevocable option exercised at the time of its initial recognition. These assets are subsequently measured at fair value. Dividends recognized in P&L and the net gains / losses are recognized in OCI.
FVTPL	Investments in mutual funds, forward exchange contracts. These assets are subsequently measured at fair value, net gains / losses including any interest or dividend income, are recognized in P&L.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

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, as detailed below depending on the business model:

Classification	Business Model
Amortized 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 realize its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

The Company has carried its investments in subsidiaries at cost.

For impairment purposes, significant financial assets are tested on an 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	The Company uses the simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic and 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 Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial liabilities

Financial liabilities comprise of Borrowings, Trade payables, Derivative financial instruments, Financial guarantee obligations, Lease liabilities and Other financial liabilities.

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through P&L (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the P&L at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the P&L only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair through P&L (FVTPL).

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognized initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Fair value measurement

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

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

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

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

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

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

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

i. Impairment of non-financial assets

The carrying amount of assets i.e., property, plant and equipment including right-of-use asset, investment properties, cash generating units and intangible assets other than inventories & deferred tax assets, are reviewed for impairment at each reporting date,

if there is any indication of impairment based on internal and external factors.

Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value.

The Company impairs the Unbilled services revenue using the simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates 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.

j. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognized as finance cost.

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.

A provision for onerous & other contractual obligations are measured at the present value of the lower of the expected cost of terminating the contract and expected net cost of continuing with the contract considering the incremental cost of fulfilling the obligations.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize such liability and only discloses the same in the financial statements.

Contingent asset is not recognized in the financial statements as it may result in the recognition of income that may never be realized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

k. Segment reporting

The Company's business operation comprises of single operating segment viz., Software and related solutions. The 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.

7. 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 estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have the material effects on the amounts recognized in the financial statements is included in the following notes:

Revenue recognition

The Company exercises judgments 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 the 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.

Defined benefit plans and other long term benefits

The cost of the defined benefit plan and other long-term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long-term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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 and applicable judicial precedents.

Deferred tax asset

Significant management judgment is exercised by reviewing the deferred tax assets, including MAT credit entitlement, 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

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

of future taxable profits together with future tax planning strategies.

Property, plant and equipment (PPE) and intangible assets

The residual values and estimated useful life of PPEs and intangible assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation / amortization / impairment.

Determination of lease term of contracts as non-cancellable term

Significant management judgment is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

Intangible asset

Significant management judgment is exercised in identifying an intangible asset and estimating its useful life, which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from such asset. Amortization methods and useful lives are reviewed at each financial year end.

Impairment**Impairment of assets**

Significant management judgment is exercised in determining whether the investment in subsidiaries are impaired or not is on the basis of its nature of long-term strategic investments and business projections.

The impairment for trade receivables / unbilled licenses / unbilled services / loans and other receivables 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.

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgment considering the timing of future cash flows, discount rates and the risks specific to the asset.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions

The timing of recognition requires application of judgment to existing facts and circumstances that may be subject to change. The litigations and claims to which the Company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

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.

Share based payments

The Company initially measures the stock options granted to the employees, using a fair value model. This requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility, dividend yield and making assumptions.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

8. PROPERTY, PLANT AND EQUIPMENT

Particulars								Rs. Mln.
	Building	Laptops and desktops	Servers and networks	Furniture and fixtures	Office equipments	Electrical items	Vehicles	Total
Gross carrying value								
As at April 01, 2022	3.12	252.24	185.44	26.09	66.02	15.24	38.23	586.38
Additions	-	30.70	8.36	5.05	1.88	0.21	32.22	78.42
Disposals	-	(11.72)	(0.25)	(0.97)	(0.19)	(1.06)	(3.78)	(17.97)
Exchange difference	-	0.04	-	0.01	0.06	0.01	(0.01)	0.11
As at March 31, 2023	3.12	271.26	193.55	30.18	67.77	14.40	66.66	646.94
Additions	-	2.87	32.27	-	0.56	1.91	16.19	53.80
Disposals	-	(7.78)	-	-	-	(1.03)	(8.01)	(16.82)
Exchange difference	-	0.02	-	0.01	0.01	(0.01)	0.01	0.04
As at March 31, 2024	3.12	266.37	225.82	30.19	68.34	15.27	74.85	683.96
Accumulated depreciation / impairment								
As at April 01, 2022	2.04	177.28	112.72	17.62	59.91	12.06	22.02	403.65
For the year	0.05	45.09	22.39	2.85	3.34	0.93	4.65	79.30
Disposals	-	(11.63)	(0.25)	(0.64)	(0.18)	(0.71)	(2.56)	(15.97)
Exchange difference	-	0.04	(0.02)	-	0.08	-	(0.01)	0.09
As at March 31, 2023	2.09	210.78	134.84	19.83	63.15	12.28	24.10	467.07
For the year	0.05	37.05	23.54	2.39	2.38	0.78	7.58	73.77
Disposals	-	(7.58)	-	-	-	(1.03)	(3.87)	(12.48)
Exchange difference	-	0.02	-	-	0.01	-	-	0.03
As at March 31, 2024	2.14	240.27	158.38	22.22	65.54	12.03	27.81	528.39
Carrying value								
As at March 31, 2023	1.03	60.48	58.71	10.35	4.62	2.12	42.56	179.87
As at March 31, 2024	0.98	26.10	67.44	7.97	2.80	3.24	47.04	155.57

Note:

- There are no restrictions on the title, and there are no pledging as security for liabilities.
- The Company has not revalued any of its property, plant and equipment in the current or previous year.

9. RIGHT-OF-USE ASSETS

Particulars				Rs. Mln.
	Building	Land	Office equipments	Total
Gross carrying value				
As at April 01, 2022	624.35	19.04	5.56	648.95
Additions	225.67	-	2.24	227.91
Disposals	(43.76)	-	-	(43.76)
Exchange difference	0.06	-	0.01	0.07
As at March 31, 2023	806.32	19.04	7.81	833.17
Additions	33.04	5.25	1.43	39.72
Disposals	(3.35)	-	-	(3.35)
Exchange difference	0.15	-	-	0.15
As at March 31, 2024	836.16	24.29	9.24	869.69
Accumulated depreciation				
As at April 01, 2022	223.42	14.30	4.89	242.61
For the year	84.07	4.74	1.53	90.34
Disposals	(24.23)	-	-	(24.23)
Exchange difference	0.07	-	0.01	0.08
As at March 31, 2023	283.33	19.04	6.43	308.80
For the year	92.09	4.82	1.48	98.39
Disposals	(2.43)	-	-	(2.43)
Exchange difference	0.11	-	-	0.11
As at March 31, 2024	373.10	23.86	7.91	404.87
Carrying value				
As at March 31, 2023	522.99	-	1.38	524.37
As at March 31, 2024	463.06	0.43	1.33	464.82

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

10. INTANGIBLE ASSETS

Particulars	Internally developed			Acquired separately	Total
	Technology platform	Product software	Patents	Computer software	
Rs. Mln.					
Gross carrying value					
As at April 01, 2022	1,914.16	5,690.90	14.23	261.28	7,880.57
Additions	215.43	817.56	-	50.66	1,083.65
Deletions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at March 31, 2023	2,129.59	6,508.46	14.23	311.94	8,964.22
Additions	179.23	595.26	-	51.99	826.48
Deletions	-	-	-	-	-
Exchange difference	-	-	-	-	-
As at March 31, 2024	2,308.82	7,103.72	14.23	363.93	9,790.70
Accumulated amortization / impairment					
As at April 01, 2022	1,315.74	3,477.27	13.04	215.10	5,021.15
For the year	116.26	388.27	0.45	57.66	562.64
Impairment loss	-	6.91	-	-	6.91
Exchange difference	-	-	-	(0.01)	(0.01)
As at March 31, 2023	1,432.00	3,872.45	13.49	272.75	5,590.69
For the year	123.48	423.86	0.29	56.87	604.50
Impairment loss	-	27.25	-	-	27.25
Exchange difference	-	-	-	0.01	0.01
As at March 31, 2024	1,555.48	4,323.56	13.78	329.63	6,222.45
Carrying value					
As at March 31, 2023	697.59	2,636.01	0.74	39.19	3,373.53
As at March 31, 2024	753.34	2,780.16	0.45	34.30	3,568.25

Note:

- Financials of research and development activities (R&D), based on separate books of accounts maintained are separately enclosed.
- The Company has not revalued any of its intangible assets in the current or previous year.
- The estimated remaining useful lives of the material intangible assets viz., Technology platform and Product software are ranging from 1 to 10 years.

11. FINANCIAL ASSETS

11.1 INVESTMENT IN SUBSIDIARIES

Particulars	Currency	Paid-up value per share	As at March 31, 2024		As at March 31, 2023	
			Numbers	Rs. Mln.	Numbers	Rs. Mln.
Equity investments in subsidiaries measured at cost, long term, trade, unquoted						
Ramco Systems Corporation, USA	USD	0.0145	192,729,550	743.41	192,729,550	743.41
Ramco Systems Ltd., Switzerland	CHF	1	1,400,000	441.70	1,400,000	441.70
Ramco Systems Pte. Ltd., Singapore	SGD	1	31,135,000	1,511.74	31,135,000	1,511.74
Ramco Systems Sdn. Bhd., Malaysia	RM	1	1,280,000	18.22	1,280,000	18.22
RSL Enterprise Solutions (Pty) Ltd., South Africa	ZAR	1	2,322,012	12.56	5,805,030	31.41
Ramco Systems FZ-LLC, Dubai	AED	1,000	50	0.62	50	0.62
Ramco Systems Australia Pty Ltd., Australia	AUD	1	21,418,000	1,063.17	21,418,000	1,063.17

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

11.1 Investment in Subsidiaries (Contd.)

Particulars	Currency	Paid-up value per share	As at March 31, 2024		As at March 31, 2023	
			Numbers	Rs. Mln.	Numbers	Rs. Mln.
R S L Software Co. Ltd., Sudan	SDG	1	100,000	2.08	100,000	2.08
Ramco System Inc., Philippines	PHP	1	11,750,000	17.44	11,750,000	17.44
Ramco Systems (Shanghai) Co. Ltd., China	CNY	1	1,000,000	10.41	1,000,000	10.41
Ramco System Vietnam Company Limited, Vietnam	VND	1,000	7,945,900	23.91	7,945,900	23.91
PT Ramco Systems Indonesia, Indonesia	IDR	1,000	10,625,000	55.40	10,625,000	55.40
Ramco Software Japan Limited, Japan	JPY	1	9,500,000	6.42	9,500,000	6.42
Ramco System Korea Company Limited, South Korea	KRW	100	2,000,000	12.75	-	-
				3,919.83		3,925.93
Aggregate value of unquoted investments				3,919.83		3,925.93
Aggregate amount of impairment in value of investments				-		-

Note:

- Movement in investment in RSL Enterprise Solutions (Pty) Ltd., South Africa represents buy back of 3,483,018 equity shares by that subsidiary at ZAR 1 each amounting to Rs.18.84 Mln. (ZAR 3.48 Mln.). There is no profit/loss arising out of this transaction in the books except on account of exchange fluctuation. (PY buy back of 3,870,020 equity shares by that subsidiary at ZAR 1 each amounting to Rs.20.59 Mln. (ZAR 3.87 Mln.)).
- Ramco System Korea Company Limited has been established in South Korea as a Wholly Owned Subsidiary (WOS) of the Company on November 13, 2023.
- Investments in the subsidiaries - Ramco Middle East for Information Technology, Saudi Arabia and Ramco System LLC, Qatar, incorporated during the previous year, have yet to be made.

11.2 INVESTMENTS

Particulars	Face value Rs. per share	As at March 31, 2024		As at March 31, 2023	
		Numbers	Rs. Mln.	Numbers	Rs. Mln.
Non-current					
Equity investment in other entities at cost, long term, trade, unquoted (designated at FVTOCI)					
SmartMegh Solutions Private Limited, India	10	2,335	15.00	2,335	15.00
Less: Allowance for impairment loss			15.00		15.00
			-		-
Aggregate value of unquoted investment			15.00		15.00
Aggregate amount of impairment in value of investment			15.00		15.00
Current					
Investments (designated at FVTPL)					
Investment in Mutual Funds*			-		100.31
			-		100.31
Aggregate value of quoted investments			-		100.31
Aggregate amount of impairment in value of investments			-		-

* represents the market value of the investment made out of the surplus from the proceeds of Preferential Issue 2022, temporarily parked pending utilization towards the objects of the issue.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

12.1 LOANS

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Non-current		
Unsecured, considered good		
Loans to employees	0.05	-
	0.05	-
Current		
Unsecured, considered good		
Loans to employees	0.98	-
Loans receivables - subsidiaries (refer note no.29)	-	128.87
	0.98	128.87

Loans are non-derivative financial assets and are carried at amortized cost which generate a fixed interest income for the Company.

Loans receivables – subsidiaries carried an interest rate of 8.75% p.a. (PY 8.75% p.a.) and are repayable on demand.

There are no loans or advances in the nature of loans, granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment, other than to the subsidiaries as disclosed above.

12.2 TRADE RECEIVABLES

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Non-current		
Unsecured, considered doubtful		
Trade receivables - other than related parties	90.01	85.36
	90.01	85.36
Less: Allowance for impairment loss	90.01	85.36
	-	-
Current		
Unsecured, considered good		
Trade receivables - subsidiaries (refer note no.29)	397.54	519.57
Trade receivables - other related parties	0.02	23.45
Trade receivables - other than related parties	278.17	325.23
	675.73	868.25
Less: Allowance for impairment loss	56.12	24.04
	619.61	844.21

Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note no.29.

Trade receivables - other than related parties are non-interest bearing and are normally on terms of 30 to 120 days, except the contracts which are entered with deferred credit terms.

For details, terms and conditions relating to related parties, refer note no.29.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

12.2 Trade Receivables (Contd.)

Trade receivables ageing schedule

Particulars	As at March 31, 2024								Rs. Mln.
	Outstanding for following periods from due date of payment							Unbilled revenue (refer note no.12.5)	
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total		
Non-current									
Undisputed trade receivables – considered good	-	-	-	-	-	-	-	-	1.28
Undisputed trade receivables – considered doubtful	-	-	1.41	3.19	7.14	78.27	90.01	90.01	250.36
	-	-	1.41	3.19	7.14	78.27	90.01	90.01	251.64
Less: Allowance for impairment loss							90.01	90.01	251.64
							-	-	-
Current									
Undisputed trade receivables – considered good	563.51	86.04	3.36	18.22	1.76	2.84	675.73	675.73	3.81
	563.51	86.04	3.36	18.22	1.76	2.84	675.73	675.73	3.81
Less: Allowance for impairment loss							56.12	56.12	3.71
							619.61	619.61	0.10

Particulars	As at March 31, 2023								Rs. Mln.
	Outstanding for following periods from due date of payment							Unbilled revenue (refer note no.12.5)	
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total		
Non-current									
Undisputed trade receivables – considered good	-	-	-	-	-	-	-	-	233.06
Undisputed trade receivables – considered doubtful	0.01	-	0.29	4.51	9.18	55.73	69.72	69.72	60.32
Disputed trade receivables - considered doubtful	-	-	-	-	-	15.64	15.64	15.64	-
	0.01	-	0.29	4.51	9.18	71.37	85.36	85.36	293.38
Less: Allowance for impairment loss							85.36	85.36	74.22
							-	-	219.16
Current									
Undisputed trade receivables – considered good	711.31	113.62	17.76	12.62	3.34	9.60	868.25	868.25	156.20
	711.31	113.62	17.76	12.62	3.34	9.60	868.25	868.25	156.20
Less: Allowance for impairment loss							24.04	24.04	2.32
							844.21	844.21	153.88

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

12.3 CASH AND CASH EQUIVALENTS

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Min.	Rs. Min.
Cash on hand	0.21	0.20
Balances with Banks in current accounts	85.82	63.97
	86.03	64.17

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods.

12.4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits with Banks*	-	467.39
Balance with Bank in Unspent CSR account (refer note no.28)	3.43	7.38
	3.43	474.77

* Represents the investment made out of the surplus from the proceeds of Preferential Issue 2022, temporarily parked, pending utilization towards the objects of the issue and interest accrued thereon.

12.5 OTHER FINANCIAL ASSETS

Non-current		
Unsecured, considered good		
Unbilled license revenue - other than related parties	1.28	198.52
Unbilled royalty revenue - subsidiaries (refer note no.29)	-	34.54
Security deposit	30.50	29.77
Employee advances	-	0.05
Unsecured, considered doubtful		
Unbilled license revenue - other than related parties	250.36	60.32
	282.14	323.20
Less: Allowance for impairment loss	251.64	74.22
	30.50	248.98
Current		
Unsecured, considered good		
Unbilled license revenue - other than related parties	3.81	84.31
Unbilled royalty revenue - subsidiaries (refer note no.29)	-	71.89
Security deposit	2.02	0.75
Employee advances	5.00	11.74
Bank deposits held as margin money	3.09	3.09
Balance with Banks in share issue accounts	0.19	0.09
	14.11	171.87
Less: Allowance for impairment loss	3.71	2.32
	10.40	169.55

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

13. TAXES

(a) Deferred tax (asset) / liability

Nature of (asset) / liability	Balance Sheet as at		Statement of profit and loss & OCI	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act, 1961	986.99	938.47	48.52	143.78
Tax impact on unutilized carry forward losses	(851.84)	(691.10)	(160.74)	(333.43)
Tax effect of provision for gratuity	(3.81)	(5.14)	1.33	0.88
Tax effect of provision for compensated absences	(27.40)	(24.34)	(3.06)	(3.81)
Tax effect of provision for bad and doubtful debts / advances	(165.56)	(90.32)	(75.24)	(29.82)
Tax impact on all other items	(102.87)	(61.74)	(41.13)	6.35
Tax impact on remeasurement gains and (losses) on defined benefit obligations (net)	(0.62)	1.42	(2.04)	(3.03)
Deferred tax (asset) / liability (net)	(165.11)	67.25		
Deferred tax (income) / expense (net)			(232.36)	(219.08)

(b) Reconciliation of deferred tax (asset) / liability (including MAT credit)

Particulars	Balance Sheet as at	
	March 31, 2024	March 31, 2023
i) Deferred tax (asset) / liability		
Opening balance	67.25	286.33
Deferred tax (income) / expense during the year recognized in Statement of Profit and Loss	(230.32)	(216.05)
Deferred tax (income) / expense during the year recognized in OCI	(2.04)	(3.03)
Closing balance	(165.11)	67.25
ii) MAT credit		
Opening balance	(683.61)	(683.61)
MAT credit for the current / previous year(s)	1.50	-
Closing balance	(682.11)	(683.61)
iii) Provision for MAT credit *		
Opening balance	519.19	437.80
Provision for the current / previous year(s)	162.92	81.39
Closing balance	682.11	519.19
Total deferred tax (asset) / liability (i + ii + iii)	(165.11)	(97.17)

* represents provision for MAT credit created by the utilization of foreign WHT for the discharge of MAT liability, which is denied by virtue of insertion of proviso to sub section 2A of section 115JAA of the Income Tax Act, 1961, the Company had filed a Writ petition challenging the said proviso in the Honorable High Court of Madras and provided for un-utilizable MAT credit. The Company will continue to make provision for such MAT credit availed, until disposal of the case.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

13. Taxes (Contd.)

(c) Components of tax expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	1.18	3.21
Deferred tax		
Relating to the origination and reversal of temporary differences	(230.32)	(216.05)
MAT credit for the current / previous year(s)	1.50	-
Provision for MAT credit (refer note no.13(b)(iii) above)	162.92	81.39
Total tax (income) / expense reported in statement of profit and loss	(64.72)	(131.45)
ii) Other comprehensive income (OCI)		
Deferred tax impact on remeasurement gains / (losses) on defined benefit obligations	(2.04)	(3.03)
Total tax (income) / expense	(2.04)	(3.03)
iii) Total tax (income) / expense reported in the total comprehensive income	(66.76)	(134.48)

(d) A reconciliation of the tax provision to the amount computed by applying the statutory Income Tax rate to the income before taxes is summarized below:

Accounting profit / (loss) before tax	(1,196.42)	(1,261.50)
Less: Adjustment from carry forward losses / non-taxable loss	(1,196.42)	(1,261.50)
Profit / (loss) considered for taxation	-	-
Corporate tax rate %	29.12%	29.12%
Computed tax expense	-	-
Increase / (reduction) in taxes on account of:		
Tax adjustments of earlier years	(1.50)	-
Branch tax for which no credit availed	2.68	3.21
	1.18	3.21
Deferred tax income / (expense) recognition during the year	(230.32)	(216.05)
MAT credit for the current / previous year(s)	1.50	-
Provision for MAT credit (refer note no.13(b)(iii) above)	162.92	81.39
Tax (income) / expense reported in the statement of profit and loss	(64.72)	(131.45)
Tax (income) / expense reported in the other comprehensive income	(2.04)	(3.03)

(e) Effective tax rate

The applicable Indian statutory tax rate for both the years ended March 31, 2024, and March 31, 2023 is 29.12%.

Profit / (loss) for the year before tax	(1,196.42)	(1,261.50)
Income Tax	(64.72)	(131.45)
Effective tax rate	5.41%	10.42%

Effective tax rate is generally influenced by various factors, including non-deductible expenses, un-utilizable MAT credit(s), exempt non-operating income, overseas branch taxes, tax reversals and provisions pertaining to prior periods.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

14. OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Non-current		
Unsecured, considered good		
Prepaid expenses	4.62	0.79
Advance to suppliers and service providers #	71.77	72.56
Unsecured, considered doubtful		
Unbilled services revenue	81.84	36.95
	158.23	110.30
Less: Allowance for impairment loss	152.93	109.27
	5.30	1.03
Current		
Unsecured, considered good		
Prepaid expenses	102.47	66.82
Advance to suppliers and service providers #	3.52	1.63
Unbilled services revenue	37.89	297.98
Statutory advances	73.48	178.60
	217.36	545.03
Less: Allowance for impairment loss	14.13	14.96
	203.23	530.07

Advance to suppliers and service providers are given in the normal course of business and adjusted against subsequent supplies / services.

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Authorized share capital		
50,000,000 (as at March 31, 2023 - 50,000,000) Equity Shares of Rs.10 each	500.00	500.00
Issued and subscribed capital		
35,768,899 (as at March 31, 2023 - 35,576,934) Equity Shares of Rs.10 each	357.69	355.77
Paid-up capital - fully paid-up		
35,419,721 (as at March 31, 2023 - 35,227,756) Equity Shares of Rs.10 each (includes value of forfeited shares of Rs. 353,890 (PY Rs. 353,890) for 349,178 shares)	354.55	352.63
	354.55	352.63

15.1 The reconciliation of share capital for the year

Particulars	FY 2023-24		FY 2022-23	
	No. of shares	Rs. Mln.	No. of shares	Rs. Mln.
At the beginning of the year	35,227,756	352.63	30,813,921	308.49
Allotment under employee stock option schemes	191,965	1.92	34,274	0.34
Allotment under preferential issue 2022	-	-	4,379,561	43.80
At the end of the year	35,419,721	354.55	35,227,756	352.63

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

15.2 Terms / rights attached to class of shares

The Company has only one class of share referred to as equity shares having a par value of Rs.10 each. The holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Shareholders holding more than 5 percent in the shares of the Company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Mr. P R Venketrama Raja	3,353,366	9.47	3,353,366	9.52
Ramco Industries Limited	7,109,711	20.07	7,109,711	20.18
The Ramco Cements Limited	5,417,810	15.30	5,417,810	15.38
HDFC Trustee Company Limited - HDFC Flexi Cap Fund & A/C HDFC Balanced Advantage Fund	2,069,833	5.84	2,161,070	6.13

15.4 Other details

Number of non-resident shareholders	564		623
Number of shares held by the non-resident shareholders	438,592		427,874
Dividend remitted in foreign currency	Nil		Nil

15.5 Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts

The Company has formulated various Employee Stock Option Schemes ("ESOS"), and the summary of pending is provided below:

Name of ESOS	Exercise price (Rs.)	As at March 31, 2024		As at March 31, 2023	
		Outstanding nos.	Value Rs. Mln.	Outstanding nos.	Value Rs. Mln.
ESOS 2008	51	-	-	20,218	1.03
	83	431	0.04	431	0.04
	230	11,540	2.65	11,540	2.65
	194	-	-	17,835	3.46
ESOS 2009 - Plan A	90	-	-	12,406	1.12
	110	9,440	1.04	9,440	1.04
	356	57,250	20.38	63,625	22.65
ESOS 2009 - Plan B	90	-	-	30,008	2.70
	10	13,125	0.13	19,375	0.19
	356	11,093	3.95	27,343	9.73
ESOS 2013	356	41,097	14.63	46,097	16.41
	155	103,117	15.98	127,967	19.83
	10	79,684	0.80	116,809	1.17
	160	85,124	13.62	112,500	18.00
	482	31,941	15.40	31,941	15.40
	250	4,250	1.06	4,250	1.06
	426	-	-	-	-
	462	5,000	2.31	5,000	2.31
	340	8,000	2.72	8,000	2.72
	679	12,500	8.49	12,500	8.49
	307	2,250	0.69	2,250	0.69
	613	1,875	1.15	1,875	1.15

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

15.5 Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts (Contd.)

Name of ESOS	Exercise price (Rs.)	As at March 31, 2024		As at March 31, 2023	
		Outstanding nos.	Value Rs. Mln.	Outstanding nos.	Value Rs. Mln.
ESOS 2014	345	5,000	1.73	5,000	1.73
	690	2,500	1.73	2,500	1.73
	10	257,883	2.58	333,076	3.33
	129	22,500	2.90	22,500	2.90
	160	239,682	38.35	292,500	46.80
	258	11,250	2.90	11,250	2.90
	377	5,775	2.18	5,775	2.18
	513	1,250	0.64	1,250	0.64
	753	4,750	3.58	4,750	3.58
	184	5,000	0.92	5,000	0.92
	228	17,500	3.99	17,500	3.99
	277	5,000	1.39	7,000	1.94
	367	2,500	0.92	2,500	0.92
	427	1,250	0.53	1,250	0.53
	455	8,750	3.98	8,750	3.98
	553	2,500	1.38	5,000	2.77
	163	5,000	0.82	5,000	0.82
	186	2,500	0.47	2,500	0.47
	326	2,500	0.82	2,500	0.82
	372	1,250	0.47	1,250	0.47
181	-	-	5,000	0.91	
361	-	-	2,500	0.90	
290	5,000	1.45	5,000	1.45	
580	2,500	1.45	2,500	1.45	
ESOS 2022	10	502,362	5.02	455,500	4.56
	160	523,888	83.82	455,500	72.88
		2,115,807	269.06	2,344,261	297.41

Further details of the above Schemes can be obtained from ANNEXURE II to the Board's Report

15.6 Shares held by promoters (including promoter group)

Sl. no.	Name	As at March 31, 2024		
		No. of shares	% of total shares	% Change during the year
1	Mr. P R Venketrama Raja	3,353,366	9.47	(0.05)
2	Mrs. R Sudarsanam	290,615	0.82	-
3	Mrs. S Saradha Deepa	237,576	0.67	-
4	Mrs. R Nalina Ramalakshmi	322,649	0.91	(0.01)
5	Mrs. P V Nirmala	17,902	0.05	-
6	Mr. P V Abinav Ramasubramaniam Raja	110,332	0.31	-
7	Mrs. B Srisandhya Raju	110,670	0.31	-
8	Mrs. Alagaraja Ramalakshmi	40,927	0.12	-
9	Mrs. Sethulakshmi Jayaraman	48,845	0.14	0.03
10	The Ramco Cements Limited	5,417,810	15.30	(0.08)
11	Ramco Industries Limited	7,109,711	20.07	(0.11)
12	Rajapalayam Mills Limited	733,531	2.07	(0.01)
13	The Ramaraju Surgical Cotton Mills Limited	12,739	0.04	-
14	Ramco Industrial And Technology Services Limited	567,822	1.60	(0.01)
15	Ramco Private Limited	3,713	0.01	-
16	Ramco Agencies Private Limited	1,388	-	(0.01)
17	Ramco Management Private Limited	300	-	-
		18,379,896	51.89	(0.25)

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

15.6 Shares held by promoters (including promoter group) (Contd.)

Sl. no.	Name	As at March 31, 2023		
		No. of shares	% of total shares	% Change during the year
1	Mr. P R Venketrama Raja	3,353,366	9.52	(1.36)
2	Mrs. R Sudarsanam	290,615	0.82	(0.12)
3	Mrs. S Saradha Deepa	237,576	0.67	(0.10)
4	Mrs. R Nalina Ramalakshmi	322,649	0.92	(0.13)
5	Mrs. P V Nirmala	17,902	0.05	(0.01)
6	Mr. P V Abinav Ramasubramaniam Raja	110,332	0.31	(0.05)
7	Mrs. B Srisandhya Raju	110,670	0.31	(0.05)
8	Mrs. R Chittammal	77,060	0.23	(0.03)
9	The Ramco Cements Limited	5,417,810	15.38	(2.20)
10	Ramco Industries Limited	7,109,711	20.18	2.44
11	Rajapalayam Mills Limited	733,531	2.08	(0.30)
12	The Ramaraju Surgical Cotton Mills Limited	12,739	0.04	-
13	Ramco Industrial And Technology Services Limited	567,822	1.61	(0.23)
14	Ramco Private Limited	3,713	0.01	-
15	Ramco Agencies Private Limited	1,388	0.01	-
16	Ramco Management Private Limited	300	-	-
		18,367,184	52.14	(2.14)

15.7 Money received against share warrants

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Money received against share warrants	100.00	100.00
	100.00	100.00

Money received against share warrants represents amounts received towards warrants which entitles the warrant holder the option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10 each.

The Company has on February 01, 2023 allotted to Mr. P R Venketrama Raja 1,459,854 warrants at a price of Rs.274 (including premium of Rs.264) each, entitling him for subscription of equivalent number of equity shares of Rs.10 each under Regulation 28(1) of the SEBI (LODR), Regulations, 2015, upon receipt of Rs.100 Mln. being 25% of the total price of the warrants. The warrants shall be convertible into Equity Shares, in one or more tranches, within a period of 18 months from the date of allotment, failing which the amount paid shall be forfeited and all the rights attached to the said warrants shall lapse automatically.

15.8 Share application money pending allotment

a) Terms and conditions	Refer note below	NA
b) Number of shares proposed to be issued (no.)	750	-
c) Amount of premium (Rs. Mln.)	0.06	-
d) The period on or before which shares are to be allotted	May 21, 2024	NA
e) Whether the company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share application money	Yes	NA
f) Interest accrued on amount due for refund	NA	NA
g) The period for which the share application money has been pending beyond the period for allotment as mentioned in the share application form along with the reasons for such share application money being pending	NA	NA
h) Total amount of share application money pending allotment	0.06	-

Note:

The share application money pending allotment as at March 31, 2024 represents receipt pursuant to the exercise of Options under the Employee Stock Option Scheme(s) ESOS 2014 and ESOS 2022 of the Company. Under the said scheme, one share of Rs.10 each, at a nil premium for 375 shares and at a premium of Rs.150 for 375 shares needs to be issued for each option exercised.

The shares need to be allotted within 60 days of receipt of exercise application along with remittance of exercise money and were allotted on May 21, 2024. No such application money has been pending beyond the stipulated time for allotment.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

16. OTHER EQUITY

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Securities premium	7,905.27	7,842.33
Employee stock options outstanding	470.40	388.80
Retained earnings	(1,169.14)	(32.47)
Currency translation reserve	(81.98)	(74.94)
Fair value gain / (loss) on equity instruments through OCI	(15.00)	(15.00)
Money received against share warrants (refer note no.15.7)	100.00	100.00
Share application money pending allotment (refer note no. 15.8)	0.06	-
	7,209.61	8,208.72

Refer statement of changes in equity for movement.

Nature and purpose of reserves

Securities premium

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued, to the extent they are exercised.

Employee stock options outstanding

The share options outstanding account represents the grant date fair value of outstanding options issued to employees under various employees stock option schemes of the Company.

Retained earnings

Represents that portion of the net income / (loss) of the Company.

Currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e., Currency Units) are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve will be reclassified to profit or loss on the disposal of the foreign operation.

Fair value gain / (loss) on equity instruments through OCI

The Company has opted to recognize the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to retained earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognized.

17. FINANCIAL LIABILITIES

17.1 BORROWINGS

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Current		
Loans from Banks, secured		
IDBI Bank Limited	-	80.00
Term loans from banks, unsecured		
Axis Bank Limited	-	150.00
Kotak Mahindra Bank Limited	-	150.00
	-	380.00

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)**17.1 Borrowings (Contd.)**

The Company had availed borrowing facilities from Axis Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank Limited (previous year from Axis Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank Limited, ICICI Bank Limited and HDFC Bank Limited) and also had repayments during the current year. The borrowings were in the form of Term Loan, Packing Credit in Foreign Currency (PCFC), Working Capital Demand Loan (WCDL) and Cash Credit. The interest rates on the borrowings during the year from Banks, ranged from 6.47% p.a. to 9.40% p.a. (PY 1.28% p.a. to 9.10% p.a.).

1. Loans from Banks, secured
 - a. Borrowing facilities from Axis Bank Limited, IDBI Bank Limited and Kotak Mahindra Bank Limited are secured by pari-passu first charge on the current assets, both present and future of the Company (Borrowing facilities for the previous year from Axis Bank Limited are secured by pari-passu first charge on the current assets, both present and future of the Company. Borrowing facilities for the previous year from IDBI Bank Limited are secured by pari-passu first charge on the receivables (i.e., trade receivables, both current and non-current), both present and future of the Company).
 - b. With respect to the borrowings from banks on the basis of security, the periodical returns / statements filed by the Company with banks are in agreement with the books of accounts.
2. Term loans from Banks, unsecured during previous year

Name of the Bank	No. of quarterly instalments (starting after 12 months from the date of first disbursement)	Interest rate linked to	Rate of interest	Rs. Mln.	Drawn on
Axis Bank Limited	12	12 months MCLR	8.75%	150.00	December 30, 2022
Kotak Mahindra Bank Limited	8	Repo rate	8.85% to 9.10%	150.00	January 25, 2023

The above Term Loans have been prepaid on April 03, 2023 without any prepayment charges. Accordingly, the entire loans were considered as current.

17.2 LEASES

The Company has adopted Ind AS 116 "Leases" with the date of initial application being April 01, 2019, using the modified retrospective approach. The Company has lease contracts for various items of Building, Land and Office equipments used in its operations. There are several lease contracts that include extension and termination options and variable lease payments.

Disclosures in respect of leases are given below:

- a) The changes in the carrying value of Right-of-use assets during the year ended March 31, 2024 are as follows:

Particulars	Rs. Mln.			
	Building	Land	Office equipments	Total
As at April 01, 2023	522.99	-	1.38	524.37
Additions during the year	33.04	5.25	1.43	39.72
Deletions during the year - net	(0.92)	-	-	(0.92)
Depreciation charge for the year	(92.09)	(4.82)	(1.48)	(98.39)
Foreign exchange (gain) / loss	0.04	-	-	0.04
As at March 31, 2024	463.06	0.43	1.33	464.82

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

17.2 Leases (Contd.)

b) The changes in the carrying value of Right-of-use assets during the year ended March 31, 2023 are as follows:

Particulars				Rs. Mln.
	Building	Land	Office equipments	Total
As at April 01, 2022	400.93	4.74	0.67	406.34
Additions during the year	225.67	-	2.24	227.91
Deletions during the year - net	(19.53)	-	-	(19.53)
Depreciation charge for the year	(84.07)	(4.74)	(1.53)	(90.34)
Foreign exchange (gain) / loss	(0.01)	-	-	(0.01)
As at March 31, 2023	522.99	-	1.38	524.37

c) The movement in lease liabilities during the year ended March 31, 2024 are as follows:

Particulars				Rs. Mln.
	Building	Land	Office equipments	Total
As at April 01, 2023	581.74	-	1.39	583.13
Additions during the year	33.03	5.25	1.43	39.71
Deletions during the year	(0.98)	-	-	(0.98)
Interest expense	45.66	0.26	0.06	45.98
Lease payments	(126.09)	(5.05)	(1.53)	(132.67)
Foreign exchange (gain) / loss	0.07	-	-	0.07
As at March 31, 2024	533.43	0.46	1.35	535.24

d) The movement in lease liabilities during the year ended March 31, 2023 are as follows:

Particulars				Rs. Mln.
	Building	Land	Office equipments	Total
As at April 01, 2022	454.14	5.94	0.66	460.74
Additions during the year	225.61	-	2.24	227.85
Deletions during the year	(25.45)	-	-	(25.45)
Interest expense	44.83	0.27	0.03	45.13
Lease payments	(117.43)	(6.21)	(1.54)	(125.18)
Foreign exchange (gain) / loss	0.04	-	-	0.04
As at March 31, 2023	581.74	-	1.39	583.13

e) The break-up of current and non-current lease liabilities are as follows:

Particulars			Rs. Mln.
	As at March 31, 2024	As at March 31, 2023	
Current	93.62	81.14	
Non-current	441.62	501.99	
	535.24	583.13	

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

17.2 Leases (Contd.)

f) The following are the amounts recognized in profit and loss account for the year ended:

Rs. Mln.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense of right-of-use assets	98.39	90.34
Interest expense on lease liabilities	45.98	45.13
Expense relating to short term leases (included in Other expenses)	4.38	2.57
Variable lease payments (included in Other expenses)	0.46	1.27
Rent concessions	(0.41)	(1.92)
(Gain) / loss on lease termination	(0.05)	(5.92)
Total amount recognized in profit and loss account	148.75	131.47

Note: The Company has applied the practical expedient to all rent concessions that meet the conditions.

g) The Company had total cash outflows (lease payments for ROU, variable lease, short term lease, net of rent concessions) for leases during the year ended March 31, 2024 of Rs.137.10 Mln. (PY Rs.127.10 Mln.).

h) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Rs. Mln.

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 1 year	134.34	126.29
1 to 5 years	453.10	450.59
More than 5 years	81.29	177.67
	668.73	754.55

17.3 TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Non-current		
Total outstanding dues of creditors, other than micro and small enterprises	-	33.38
		33.38
Current		
Total outstanding dues of micro and small enterprises	10.85	20.16
	10.85	20.16
Total outstanding dues of creditors, other than micro and small enterprises		
Trade payables - subsidiaries (refer note no.29)	88.58	200.65
Trade payables - other related parties (refer note no.29)	-	-
Trade payables - others	258.06	247.43
	346.64	448.08

Trade payables are non-interest bearing and are normally settled within 30 to 60 days.

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 ("MSME")	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.		Rs. Mln.	
	Principal	Interest	Principal	Interest
Amount due	10.85	-	20.16	-
Principal amount paid (includes unpaid) beyond the appointed date	NA	-	NA	-
Interest due and payable for the year	NA	-	NA	-
Interest accrued and remaining unpaid (includes interest disallowable of Nil (PY Nil))	NA	-	NA	-
Interest disallowable under section 23 of the MSME Act, 2006.	NA	-	NA	-

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

17.3 Trade payables (Contd.)

Trade payables ageing schedule

Rs. Mln.

Particulars	As at March 31, 2024						Total
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Non-current							
i) MSME	-	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Current							
i) MSME	-	10.85	-	-	-	-	10.85
ii) Others	178.50	106.39	61.49	0.26	-	-	346.64
	178.50	117.24	61.49	0.26	-	-	357.49

Rs. Mln.

Particulars	As at March 31, 2023						Total
	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Non-current							
i) MSME	-	-	-	-	-	-	-
ii) Others	33.38	-	-	-	-	-	33.38
	33.38	-	-	-	-	-	33.38
Current							
i) MSME	-	20.16	-	-	-	-	20.16
ii) Others	150.73	167.30	130.05	-	-	-	448.08
	150.73	187.46	130.05	-	-	-	468.24

17.4 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Current		
Capital and other creditors	6.37	1.13
Rental advances	0.30	0.30
Foreign currency forward contract	-	-
Employee welfare payables	2.54	2.54
Customer claims payables	47.10	-
	56.31	3.97

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

18. PROVISIONS

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Min.	Rs. Min.
Non-current		
Provisions for customer contract obligations (refer note no.18.1)	213.68	-
Provision for leave encashment and other retirals (refer note no.18.2)	87.14	77.15
Provision for gratuity (refer note no. 23.1)	14.99	0.86
	315.81	78.01
Current		
Provisions for customer contract obligations (refer note no.18.1)	91.58	159.27
Provision for leave encashment and other retirals (refer note no.18.2)	6.94	6.43
Provision for gratuity (refer note no. 23.1)	0.20	11.89
	98.72	177.59

18.1 Movement in provisions for customer contract obligations

Balance at the beginning	159.27	122.27
Provision recognized / (reversed)	145.82	37.00
Translation differences	0.17	-
Balance at the end	305.26	159.27

18.2 Compensated absences

The Company provides for expenses towards compensated absences (leave encashment) provided to its employees. The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

Liability carried in the Balance Sheet:

Leave encashment provision as per actuarial valuation	84.73	75.23
Leave encashment fixed commitment	7.64	8.18
Leave encashment provision by overseas branches	1.71	0.17
	94.08	83.58

The movement in the present value of the obligation is given below:

Opening balance	75.23	62.02
Current service cost	7.95	6.04
Interest cost	5.14	3.99
Actuarial (gains) / losses	6.15	11.35
Benefits paid	(9.74)	(8.17)
Closing balance	84.73	75.23

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

18.2 Compensated absences (Contd.)

Costs considered in the statement of profit and loss (P&L) is given below:

Particulars	Rs. Mln.	
	Year ended March 31, 2024	Year ended March 31, 2023
Costs accrued as per actuarial valuation	19.24	21.38
Costs accrued by overseas branches - net of reversals	1.84	0.15
	21.08	21.53
The movement in the P&L as per actuary is given below:		
Current service cost	7.95	6.04
Interest on obligation	5.14	3.99
Net actuarial (gains) / losses	6.15	11.35
Net cost recognized	19.24	21.38

19. OTHER LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Non-current		
Unearned revenue	0.29	1.55
Advance from customers - others	9.25	9.06
	9.54	10.61
Current		
Unearned revenue	264.49	267.24
Statutory dues payable	61.00	78.74
Expenses payable	48.56	107.04
Advance from customers - subsidiaries	11.01	1.46
Advance from customers - others	1.25	1.45
	386.31	455.93

Advance from customers are received in the normal course of business and adjusted against subsequent supplies / services.

20. REVENUE FROM OPERATIONS - DISAGGREGATED

20.1 Product wise revenue

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Revenue from software products	1,194.92	1,090.95
Revenue from software services	1,533.63	1,381.31
Revenue from resale of software and hardware materials	13.22	5.89
	2,741.77	2,478.15

20.2 Geography wise revenue

Americas	457.09	344.35
Europe	17.70	212.28
APAC	818.45	654.18
India	1,164.93	989.12
Middle East and Africa	283.60	278.22
	2,741.77	2,478.15

20.3 Business unit wise revenue

ERP	1,041.87	798.32
HRP	1,112.76	1,067.66
Aviation	587.14	612.17
	2,741.77	2,478.15

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

20.4 Ind AS 115 - revenue from contract with customers

The Company derives revenue from Software Solutions & Services. The accounting policies are mentioned in note no.6.a

1. 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 Ind AS 115, 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.
2. During the year ended March 31, the Company recognized revenue of Rs. 217.58 Mln. (PY Rs.152.70 Mln.) arising from opening unearned revenue of Rs.268.79 Mln. (PY Rs.174.90 Mln.) as at April 01.
 3. During the year ended March 31, the Company recognized revenue of Rs. 1.46 Mln. (PY Rs. 20.63 Mln.) arising from advance from customers out of the opening advances of Rs. 11.97 Mln. (PY Rs. 30.34 Mln.) as at April 01.
 4. Considering the form of engagement with customers and very strong inter despondencies between Parent and Subsidiaries, it is more appropriate for us to disclose the revenue from software services from fixed-price and time-and-material contracts at consolidated level. The percentage of revenue from software services from fixed-price contracts was 73% and 73% for each of the year ended March 31, 2024 and March 31, 2023, respectively, at a consolidated basis.
 5. Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Contract price	2,741.77	2,478.15
Reduction towards variable consideration components	-	-
Revenue recognized	2,741.77	2,478.15

6. Changes in contract assets is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Balance at the beginning of the year	283.02	317.77
Invoices raised during the year	(228.46)	(290.06)
Revenue recognized during the year	35.09	264.21
Provision / write off during the year	(67.49)	(26.54)
Translation exchange difference	1.60	17.64
Balance at the end of the year	23.76	283.02

7. Changes in contract liabilities is as follows:

Balance at the beginning of the year	82.67	48.97
Revenue recognised during the year	(207.50)	(160.29)
Invoices raised during the year	228.18	187.71
Provision / write back during the year	0.32	-
Translation exchange difference	0.57	6.28
Balance at the end of the year	104.24	82.67

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

21. FINANCE INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Interest income - loan to subsidiaries (refer note no.29)	4.07	35.26
Interest income - other than related parties	3.96	15.41
	8.03	50.67

22. OTHER INCOME

Profit on sale of property, plant and equipments	0.37	0.75
Gain on termination of leased assets	0.05	5.92
Other income	6.45	3.08
	6.87	9.75

23. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	1,384.67	1,595.77
Share based payments	132.17	200.05
Contribution to provident and other funds	78.86	85.98
Gratuity and other retirals (refer note no.23.1)	51.46	47.40
Staff welfare	41.91	36.94
	1,689.07	1,966.14

Note:

Total employee benefits expense is Rs. 1,692.67 Mln. (Rs. 1,969.86 mln.), including the sitting fees Rs. 2.28 Mln. (Rs. 2.40 Mln.) to the Directors & professional fees Rs. 1.32 Mln. (Rs. 1.32 Mln.) to the Whole Time Director, (both included under "Other expenses"). For the details of remuneration and sitting fee, refer note no.29.

23.1 As per IND AS 19, The disclosures pertaining to employee benefits are given below:

Defined contributions by the employer:

Provident fund, EDLI, ESI maintained by the Government	78.86	85.98
Superannuation fund	16.47	16.41
National pension system	5.13	4.89
Other pension schemes by overseas branches	0.49	0.58

Defined benefit plan contributions by the employer:

Gratuity fund, including adjustments based on actuarial valuation	29.23	25.19
Gratuity commitment by overseas branches	0.14	0.33

The movement in gratuity (the defined benefit plan) is given below:

Current service cost	29.60	25.85
Interest on obligation	18.70	15.58
Expected return on plan assets (to the extent it represents an adjustment to interest cost)	(19.07)	(16.24)
Net cost recognized in the statement of profit and loss	29.23	25.19
Expected return on plan assets (to the extent it does not represent an adjustment to interest cost)	(0.93)	(3.55)
Actuarial (gains) / losses	7.94	13.95
Net (gain) / loss recognized in the other comprehensive income	7.01	10.40

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

23.1 As per Ind AS 19, the disclosures pertaining to employee benefits are given below: (Contd.)

Movements in the present value of the defined benefit obligation in the current and previous year were as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Min.	Rs. Min.
Opening defined benefit obligation	271.22	237.12
Current service cost	29.60	25.84
Interest cost	18.70	15.58
Actuarial (gains) / losses	7.94	13.95
Benefits paid	(30.03)	(21.27)
Closing defined benefit obligation	297.43	271.22

Movements in the present value of the plan assets in the current and previous year were as follows:

Opening fair value of plan assets	259.33	232.49
Expected return on plan assets	19.07	16.24
Actuarial (gains) / losses	0.93	3.55
Contributions from the employer	33.97	28.33
Benefits paid	(30.03)	(21.27)
Closing fair value of plan assets	283.27	259.34

The amount included in the statement of financial position arising from the entity's obligation in respect of its defined benefit plans are as follows:

Present value of funded defined benefit obligation	297.43	271.22
Less: Fair value of plan assets	283.27	259.34
Present value of funded defined benefit obligations / (asset)	14.16	11.88
Gratuity liability maintained by overseas branches	1.03	0.87
Investment details:		
Funds with LIC	283.27	259.34

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Discount rate	7.00%	7.30%
Future salary increase	10.00%	9.00%

23.1 As per Ind AS 19, the disclosures pertaining to employee benefits are given below: (Contd.)

A quantitative sensitivity analysis for significant assumptions are below:

Particulars	For the year ended March 31, 2024			
	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Increase / (decrease) on defined benefit obligation in Rs. Mln.	(14.34)	15.48	15.24	(14.28)

Particulars	For the year ended March 31, 2023			
	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Increase / (decrease) on defined benefit obligation in Rs. Mln.	(12.63)	13.58	13.56	(12.73)

The sensitivity analysis given above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected benefit payouts to the defined benefit plan in future years:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Within the next 12 months (next annual reporting period)	16.24	11.00
1 - 2 years	13.87	18.26
2 - 3 years	15.19	12.32
3 - 4 years	23.82	19.29
4 - 5 years	27.55	24.26
Beyond 5 years	140.85	145.86
Total expected payments	237.52	230.99

24. FINANCE COSTS

Interest on loans	7.20	40.27
Interest on leased assets	45.98	45.13
Other finance cost on loans	0.30	1.94
	53.48	87.34

25. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Depreciation on property, plant and equipment	73.77	79.30
Depreciation on leased assets	98.39	90.34
Amortization of intangible assets	604.50	562.64
Impairment of intangible assets	27.25	6.91
	803.91	739.19

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

26. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Advertisement and sales promotion	79.29	87.50
Bank charges	1.58	2.79
Bad debts / provision for doubtful debts & advances, net	314.19	109.22
Consultancy charges	55.85	41.13
Corporate social responsibility expenditure	-	6.03
Customer claims	51.20	1.50
Foreign exchange fluctuation, net	5.34	(86.94)
Insurance	20.34	16.06
Loss on sale of property, plant and equipment	1.02	1.37
Office maintenance	21.64	17.02
Outsourcing costs	196.01	259.84
Provisions for customer contract obligations	145.82	37.00
Power & fuel	34.93	25.29
Printing & stationery	1.99	1.12
Postage, telephone and communication	22.24	38.93
Rent	153.69	148.77
Repairs - building	-	8.57
Repairs - plant and machinery	81.67	60.87
Repairs - others	9.22	7.57
Rates and taxes	126.11	90.93
Sales commission and other selling expenses	0.20	5.83
Software subscription and maintenance	2.90	22.96
Travelling and conveyance	58.46	76.29
Miscellaneous expenses	12.65	25.46
	1,396.34	1,005.11

26.1 Movement in provision for doubtful debts & advances

Particulars	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
Balance at the beginning	310.17	207.76
Provisions for the year [#]	314.19	109.22
Translation differences	0.64	1.14
Provision utilized for write off	(56.45)	(7.95)
Balance at the end	568.55	310.17

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

26.1 Movement in provision for doubtful debts & advances (Contd.)

Expenses recognized in statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Provisions for the year	314.19	109.22
Provision utilized for write off reversed to P&L	(56.45)	(7.95)
Amounts written off	56.45	7.95
Bad debts / provision for doubtful debts & advances, net	314.19	109.22

During the financial year 2023-24, the Company performed a comprehensive strategic review of all its business units, considering various factors such as project viability, aging, the decision to exit unprofitable solutions, customer descoping, and country-specific risks. Following this assessment, the Company created a one-time provision, for Trade Receivables and Unbilled Revenue. In addition, the Company has also created provision using the Expected Credit Loss method (ECL) in accordance with the established policy, taking into account existing provisions.

26.2 Fees paid to Statutory Auditors (excluding GST)

Statutory Audit	2.00	2.00
Company Law matters	0.03	0.03
Other Certifications	0.11	1.08
	2.14	3.11

27. OTHER DISCLOSURES

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto currency or virtual currency.
- (b) Benami property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (c) Transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Discrepancy in utilization of borrowings
 - iii. Current maturity of long term borrowings
- (e) Registration of charges or satisfaction with Registrar of Companies to be filed beyond the statutory period.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)**28. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years, on CSR activities. Details of CSR activities are given below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
1) Amount required to be spent during the year	-	6.03
2) Amount of expenditure incurred on:		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	-	1.50
3) Shortfall at the end of the year *	-	4.53
4) Total of previous years shortfall	3.43	7.38
5) Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
6) Nature of CSR activities	Environmental sustainability etc., as specified in Clause iv to Schedule VII of the Companies Act, 2013	Environmental sustainability etc., as specified in Clause iv to Schedule VII of the Companies Act, 2013
7) Details of related party transactions	-	-

* The unspent amount of Rs.4.53 Mln. relating to previous year was transferred on April 27, 2023, to the "Unspent CSR account FY 2022-23" opened with Axis Bank Limited within the prescribed time limit. Out of this, Rs.1.10 Mln. was utilized during the FY 2023-24 and balance available in this account as on March 31, 2024 is Rs.3.43 Mln.

The unspent amount of Rs.12.43 Mln. relating FY 2021-22 was transferred on April 28, 2022 to the "Unspent CSR account FY 2021-22" opened with Axis Bank Limited within the prescribed time limit. Out of this, Rs.5.05 Mln. was utilized during the FY 2022-23 and balance was utilized during FY 2023-24. Balance unspent amount as on March 31, 2024 is Nil.

29. RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of relationship as required by Ind AS 24 on related party disclosures are given below:

a. Subsidiary companies

1.	Ramco Systems Corporation, USA	11.	Ramco Systems (Shanghai) Co. Ltd., China
2.	Ramco Systems Ltd., Switzerland	12.	Ramco System Vietnam Company Limited, Vietnam
3.	Ramco Systems Pte. Ltd., Singapore	13.	PT Ramco Systems Indonesia, Indonesia
4.	Ramco Systems Sdn. Bhd., Malaysia	14.	Ramco Systems Macau Limited, Macao (100% subsidiary of Ramco Systems Pte. Ltd., Singapore)
5.	RSL Enterprise Solutions (Pty) Ltd., South Africa	15.	Ramco Systems Defense and Security Incorporated, USA (100% subsidiary of Ramco Systems Corporation, USA)
6.	Ramco Systems Canada Inc., Canada (100% subsidiary of Ramco Systems Corporation, USA)	16.	Ramco Software Japan Limited, Japan
7.	Ramco Systems FZ-LLC, Dubai	17.	Ramco Middle East for Information Technology, Saudi Arabia
8.	R S L Software Co. Ltd., Sudan	18.	Ramco System LLC, Qatar
9.	Ramco Systems Australia Pty Ltd., Australia	19.	Ramco System Korea Company Limited, South Korea
10.	Ramco System Inc., Philippines		

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

29. Related Party Transactions (Contd.)

b. Key managerial personnel including those specified under Companies Act, 2013 (KMP)

1.	Mr. P R Venketrama Raja, Chairman
2.	Mr. P V Abinav Ramasubramaniam Raja, Whole Time Director
3.	Mr. M M Venkatachalam, Non-Executive, Independent Director
4.	Mr. A V Dharmakrishnan, Non-Executive, Non-Independent Director
5.	Mr. R S Agarwal, Non-Executive, Independent Director
6.	Mrs. Soundara Kumar, Non-Executive, Independent Director
7.	Mr. Sankar Krishnan, Non-Executive, Non-Independent Director
8.	Justice P P S Janarthana Raja (Retd.), Non-Executive, Independent Director
9.	Dr. M S Krishnan, Non-Executive, Independent Director
10.	Dr. Aravind Srinivasan, Non-Executive, Independent Director
11.	Mr. Subramanian Sundaresan, Chief Executive Officer
12.	Mr. R Ravi Kula Chandran, Chief Financial Officer
13.	Mr. N E Vijayaraghavan, Company Secretary

c. Relatives of KMP

1.	Mr. P R Venketrama Raja, Father of Mr. P V Abinav Ramasubramaniam Raja
2.	Mrs. P V Nirmala, Mother of Mr. P V Abinav Ramasubramaniam Raja
3.	Mrs. B Srisandhya Raju, Sister of Mr. P V Abinav Ramasubramaniam Raja
4.	Mrs. R Sudarsanam, Mother of Mr. P R Venketrama Raja
5.	Mrs. S Saradha Deepa, Sister of Mr. P R Venketrama Raja
6.	Mrs. R Nalina Ramalakshmi, Sister of Mr. P R Venketrama Raja

d. Enterprises over which KMP / relatives of KMP exercise significant influence

1.	Rajapalayam Mills Limited	18.	JKR Enterprises Limited
2.	The Ramco Cements Limited	19.	Gowrishankar Screws
3.	Ramco Industries Limited	20.	P A C R Sethurammam Charity Trust
4.	The Ramaraju Surgical Cotton Mills Limited	21.	P A C R Sethurammam Charities
5.	Sri Vishnu Shankar Mills Limited	22.	Rajapalayam Spinners Limited
6.	Sandhya Spinning Mill Limited	23.	Ramco Industrial and Technology Services Limited
7.	Thanjavur Spinning Mill Limited	24.	Madurai Trans Carrier Limited
8.	Sri Harini Textiles Limited	25.	Ramco Welfare Trust
9.	Swarna Boomi Estate	26.	Lynks Logistics Limited
10.	Thanga Vilas Estate	27.	Ramco Management Private Limited
11.	Rajapalayam Textile Limited	28.	Raja Charity Trust
12.	Shri Harini Media Limited	29.	P A C Ramasamy Raja Centenary Trust
13.	Sudarsanam Estate	30.	P A C Ramasamy Raja Education Charity Trust
14.	Shri Abhinava Vidyatheertha Seva Trust	31.	P A C Ramasamy Raja Polytechnic College
15.	Smt. Lingammal Ramaraju Shastra Prathista Trust	32.	P A C R Industrial Training Center
16.	The Ramco Cements Limited Educational and Charitable Trust	33.	Smt. Sethu Ramammal Vidya Mandir English Medium High School
17.	Gowrihouse Metal Works LLP	34.	Ramasubrahmaneya Rajha Ramco Foundation

e. Employee benefit funds where control exists

1.	Ramco Systems Limited employees group gratuity scheme
2.	Ramco Systems Limited employees superannuation scheme

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

29. Related Party Transactions (Contd.)

The Company's transactions with the above related parties are given below:

Particulars	Rs. Mln.					
	Transaction during FY 2023-24	Outstanding as at March 31, 2024	Unbilled/ (unearned) outstanding as at March 31, 2024	Transaction during FY 2022-23	Outstanding as at March 31, 2023	Unbilled/ (unearned) outstanding as at March 31, 2023
Income from sale of goods & services						
Ramco Systems Corporation, USA	235.66	28.72	-	151.41	58.64	-
Ramco Systems Canada Inc., Canada	7.93	5.06	-	3.30	2.35	-
Ramco Systems Ltd., Switzerland	35.76	0.05	-	18.30	-	-
Ramco Systems Sdn. Bhd., Malaysia	95.12	64.79	-	65.05	41.19	-
Ramco Systems Pte. Ltd., Singapore	125.05	54.23	-	126.38	83.84	-
RSL Enterprise Solutions (Pty) Ltd., South Africa	23.43	2.21	-	28.33	2.43	-
Ramco Systems FZ-LLC, Dubai	168.31	42.17	-	103.31	15.16	-
Ramco Systems Australia Pty Ltd., Australia	126.76	53.26	-	113.50	65.56	-
Ramco System Inc., Philippines	137.51	5.16	-	55.09	27.68	-
Ramco Systems (Shanghai) Co. Ltd., China	7.53	6.07	-	6.93	4.04	-
PT Ramco Systems Indonesia, Indonesia	13.47	1.20	-	2.14	1.02	-
Ramco Systems Defense and Security Incorporated	5.88	3.75	-	0.41	0.41	-
The Ramco Cements Limited	112.02	-	-	107.10	-	-
Ramco Industries Limited	8.18	-	-	8.19	-	-
Rajapalayam Mills Limited	4.72	-	-	3.88	-	-
Rajapalayam Textile Limited	0.42	-	-	0.43	-	-
Sri Vishnu Shankar Mills Limited	1.72	-	-	1.62	-	-
Sandhya Spinning Mill Limited	1.54	-	-	1.33	-	-
The Ramaraju Surgical Cotton Mills Limited	2.06	-	-	2.15	-	-
Sudarsanam Estate	0.04	-	-	0.04	0.02	-
Swarna Bhoomi Estate	0.04	-	-	0.04	-	-
Thanga Vilas Estate	0.04	0.01	-	0.04	-	-
Ramco Welfare Trust	0.13	-	-	0.13	-	-
Smt. Lingammal Ramaraju Shastra Prathista Trust	0.08	-	-	0.08	-	-
The Ramco Cements Limited Educational and Charitable Trust	0.10	-	-	0.10	-	-
Gowrihouse Metal Works LLP	0.36	-	-	0.45	0.09	-
P A C R Sethurammam Charity Trust	0.30	0.01	-	0.30	0.02	-
P A C R Sethurammam Charities	0.13	-	-	0.13	-	-
Ramco Industrial and Technology Services Limited	7.54	-	-	1.87	-	-
Lynks Logistics Limited	-	-	-	8.76	23.29	-
P A C Ramasamy Raja Education Charity Trust	0.13	-	-	0.13	0.01	-
P A C Ramasamy Raja Centenary Trust	0.15	-	-	0.15	0.01	-
Smt. Sethu Ramammal Vidya Mandir English Medium High School	0.02	-	-	0.02	-	-
P A C R Industrial Training Center	-	-	-	0.02	-	-
Income from royalty						
Ramco Systems Corporation, USA	161.07	23.71	-	146.07	55.46	21.96
Ramco Systems Canada Inc., Canada	6.75	3.46	-	7.47	5.51	1.47

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

29. Related Party Transactions (Contd.)

Particulars	Rs. Mln.					
	Transaction during FY 2023-24	Outstanding as at March 31, 2024	Unbilled/ (unearned) outstanding as at March 31, 2024	Transaction during FY 2022-23	Outstanding as at March 31, 2023	Unbilled/ (unearned) outstanding as at March 31, 2023
Ramco Systems Ltd., Switzerland	12.16	1.64	-	14.37	2.00	-
Ramco Systems Sdn. Bhd., Malaysia	32.43	12.00	-	31.27	20.73	-
Ramco Systems Pte. Ltd., Singapore	97.00	59.48	-	57.44	61.42	59.06
Ramco Systems FZ-LLC, Dubai	58.42	13.65	-	71.72	23.95	3.80
Ramco Systems Australia Pty Ltd., Australia	81.42	9.08	-	66.71	28.75	16.87
RSL Enterprise Solutions (Pty) Ltd., South Africa	1.29	0.10	-	1.38	0.10	-
Ramco System Inc., Philippines	61.84	6.85	-	54.04	14.80	3.27
Ramco Systems (Shanghai) Co. Ltd., China	4.89	0.36	-	2.18	1.52	-
PT Ramco Systems Indonesia, Indonesia	1.02	0.45	-	2.44	1.70	-
Ramco Systems Defense and Security Incorporated	1.42	0.12	-	8.48	1.29	-
Cost of services availed						
Ramco Systems Corporation, USA	99.61	39.60	-	97.69	60.51	-
Ramco Systems Ltd., Switzerland	6.68	30.77	-	21.68	53.68	-
Ramco Systems Sdn. Bhd., Malaysia	3.10	-	-	10.74	3.00	-
Ramco Systems Pte. Ltd., Singapore	68.92	15.97	-	122.37	54.08	-
Ramco Systems Australia Pty Ltd., Australia	4.37	2.24	-	57.08	22.14	-
Ramco System Inc., Philippines	-	-	-	9.94	1.12	-
PT Ramco Systems Indonesia, Indonesia	1.72	-	-	6.31	1.41	-
Ramco Systems (Shanghai) Co. Ltd., China	4.45	-	-	18.75	4.70	-
Ramco Industrial and Technology Services Limited	53.53	-	-	67.42	-	-
The Ramco Cements Limited	2.85	-	-	4.70	-	-
Ramco Industries Limited	1.37	-	-	1.32	-	-
Advances received from subsidiaries against services						
Ramco Systems Ltd., Switzerland	-	11.01	-	-	1.46	-
Investments / (divestment) (refer note no.11.1)						
Ramco Systems Pte. Ltd., Singapore	-	1,511.74	-	-	1,511.74	-
Ramco Systems Australia Pty Ltd., Australia	-	1,063.17	-	267.93	1,063.17	-
Ramco Systems Corporation, USA	-	743.41	-	-	743.41	-
Ramco Systems Ltd., Switzerland	-	441.70	-	-	441.70	-
RSL Enterprise Solutions (Pty) Ltd., South Africa	(18.85)	12.56	-	(20.59)	31.41	-
Ramco Systems (Shanghai) Co. Ltd., China	-	10.41	-	-	10.41	-
Ramco System Vietnam Company Limited, Vietnam	-	23.91	-	-	23.91	-
PT Ramco Systems Indonesia, Indonesia	-	55.40	-	-	55.40	-
Ramco Systems Sdn. Bhd., Malaysia	-	18.22	-	-	18.22	-
Ramco Systems FZ-LLC, Dubai	-	0.62	-	-	0.62	-
R S L Software Co. Ltd., Sudan	-	2.08	-	-	2.08	-
Ramco System Inc., Philippines	-	17.44	-	-	17.44	-

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

29. Related Party Transactions (Contd.)

Particulars	Rs. Mln.					
	Transaction during FY 2023-24	Outstanding as at March 31, 2024	Unbilled/ (unearned) outstanding as at March 31, 2024	Transaction during FY 2022-23	Outstanding as at March 31, 2023	Unbilled/ (unearned) outstanding as at March 31, 2023
Ramco Software Japan Limited, Japan	-	6.42	-	-	6.42	-
Ramco System Korea Company Limited, South Korea	12.75	12.75	-	-	-	-
Loans given						
Ramco Systems Sdn. Bhd., Malaysia	-	-	-	-	56.03	-
Ramco Systems Pte. Ltd., Singapore	-	-	-	-	72.84	-
Interest income						
Ramco Systems Australia Pty Ltd., Australia	-	-	-	6.84	-	-
Ramco Systems Pte. Ltd., Singapore	1.23	-	-	22.08	-	-
Ramco Systems Sdn. Bhd., Malaysia	2.84	-	-	5.78	-	-
Ramco System Inc., Philippines	-	-	-	0.56	-	-
Bank guarantee issued in favour of bankers / customers / vendors of						
i) Ramco Systems FZ-LLC, Dubai	-	75.83	-	-	74.79	-
ii) Ramco System Inc., Philippines	4.67	4.75	-	-	-	-
iii) Ramco Systems Australia Pty Ltd., Australia	-	7.10	-	-	7.19	-
iv) Ramco Systems Sdn. Bhd., Malaysia	40.21	40.94	-	-	-	-
Corporate guarantee issued in favour of customer(s) of						
i) Ramco Systems Australia Pty Ltd., Australia	-	-	-	-	680.40	-
ii) Ramco Systems FZ-LLC, Dubai	-	85.29	-	83.22	84.12	-
iii) Ramco Systems Sdn. Bhd., Malaysia	67.30	67.95	-	-	-	-
Counter Guarantee - Corporate Guarantee issued in favour						
Rajapalayam Mills Limited	122.61	127.94	-	-	7.19	-
Rent expense						
The Ramco Cements Limited	94.43	-	-	92.99	-	-
Rajapalayam Mills Limited	0.38	-	-	0.07	-	-
Sitting fees						
Mr. P R Venketrama Raja	0.15	-	-	0.18	-	-
Mr. P V Abinav Ramasubramaniam Raja	0.15	-	-	0.18	-	-
Mr. M M Venkatachalam	0.30	-	-	0.36	-	-
Mr. A V Dharmakrishnan	0.30	-	-	0.33	-	-
Mr. R S Agarwal	0.33	-	-	0.36	-	-
Mrs. Soundara Kumar	0.30	-	-	0.30	-	-
Mr. Sankar Krishnan	0.30	-	-	0.33	-	-
Justice P P S Janarthana Raja (Retd.)	0.33	-	-	0.36	-	-
Dr. M S Krishnan	0.06	-	-	-	-	-
Dr. Aravind Srinivasan	0.06	-	-	-	-	-
Subscription for issue of equity shares under preferential issue 2022						
Ramco Industries Limited (refer note no.35)	-	-	-	450.00	-	-
Subscription for issue of warrants convertible into equity shares under preferential issue 2022						
Mr. P R Venketrama Raja (refer note no.35)	-	-	-	100.00	-	-
Remuneration						
Mr. P V Abinav Ramasubramaniam Raja	1.32	-	-	1.32	-	-
Mr. Subramaniam Sundaresan	32.03	-	-	-	-	-
Mr. R Ravi Kula Chandran	10.57	-	-	8.98	-	-
Mr. N E Vijayaraghavan	2.47	-	-	2.49	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

29. Related Party Transactions (Contd.)

Particulars	Rs. Mln.					
	Transaction during FY 2023-24	Outstanding as at March 31, 2024	Unbilled/ (unearned) outstanding as at March 31, 2024	Transaction during FY 2022-23	Outstanding as at March 31, 2023	Unbilled/ (unearned) outstanding as at March 31, 2023
CSR contribution						
Ramasubrahmaneya Rajha Ramco Foundation	1.10	-	-	0.50	-	-
Contributions made						
Ramco Systems Limited employees group gratuity scheme	33.97	-	-	28.33	-	-
Ramco Systems Limited employees superannuation scheme	16.47	-	-	16.41	-	-

Notes:

- Details of undertaking given by the Company are given in the note no.32.
- Subsequent to the sale and transfer of the entire shareholding of Lynks Logistics Limited by its shareholders to Bundl Technologies Private Limited operating under the brand name Swiggy, Lynks Logistics Limited ceased to be a related party, waiver of dues amounting to Rs. 23.29 Mln. (PY Nil) has been agreed.
- The above figures include Service Tax / VAT / CST / GST as applicable.
- The transactions with related parties are at arm's length basis. The outstanding balances are unsecured and interest free, except loan transactions. The Company has not recorded any impairment of receivables owed by related parties. Payment terms for related party transactions are generally less than 60 days, except in the case of overseas subsidiaries, from whom the receivables are realized within the prescribed period.
- Disclosure of Key Management Personnel remuneration in total and for each of the following categories:

Particulars	FY 2023-24	FY 2022-23
	Rs. Mln.	Rs. Mln.
Short - term benefits *	45.97	14.08
Long - term benefits **	2.70	1.10
	48.67	15.18

* It includes bonus, sitting fees, value of perquisites and fixed monthly remuneration in the form of commission (as applicable).

** It includes contribution to Provident fund, Superannuation, National pension scheme and accrual of Gratuity.

f) For details regarding grant of stock options during the year to KMPs, refer Annexure II to the Directors Report - "Disclosure made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021".

g) Maximum loan outstanding during the year from subsidiaries:

Name of the subsidiary	FY 2023-24	FY 2022-23
	Rs. Mln.	Rs. Mln.
Ramco Systems Sdn. Bhd., Malaysia	56.14	76.57
Ramco Systems Australia Pty Ltd., Australia	-	279.45
Ramco Systems Pte. Ltd., Singapore	66.52	381.84
Ramco System Inc., Philippines	-	23.56

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

30. DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments by category

As at March 31, 2024

Sl. no.	Particulars	Amortized cost	FVTPL	FVTOCI	Rs. Mn.	
					Total carrying amount	Fair value
Financial assets						
1	Loans	1.03	-	-	1.03	1.03
2	Trade receivables	619.61	-	-	619.61	619.61
3	Cash & cash equivalents	89.46	-	-	89.46	89.46
4	Other financial assets	40.90	-	-	40.90	40.90
		751.00	-	-	751.00	751.00
Financial liabilities						
5	Lease liabilities	535.24	-	-	535.24	535.24
Trade payables						
6	Total outstanding dues of micro and small enterprises	10.85	-	-	10.85	10.85
7	Total outstanding dues of creditors, other than micro and small enterprises	346.64	-	-	346.64	346.64
8	Other financial liabilities	56.31	-	-	56.31	56.31
		949.04	-	-	949.04	949.04

As at March 31, 2023

Sl. no.	Particulars	Amortized cost	FVTPL	FVTOCI	Rs. Mn.	
					Total carrying amount	Fair value
Financial assets						
1	Loans	128.87	-	-	128.87	128.87
2	Investments	-	100.31	-	100.31	100.31
3	Trade receivables	844.21	-	-	844.21	844.21
4	Cash & cash equivalents	538.94	-	-	538.94	538.94
5	Other financial assets	418.53	-	-	418.53	418.53
		1,930.55	100.31	-	2,030.86	2,030.86
Financial liabilities						
6	Borrowings	380.00	-	-	380.00	380.00
7	Lease liabilities	583.13	-	-	583.13	583.13
Trade payables						
8	Total outstanding dues of micro and small enterprises	20.16	-	-	20.16	20.16
9	Total outstanding dues of creditors, other than micro and small enterprises	481.46	-	-	481.46	481.46
10	Other financial liabilities	3.97	-	-	3.97	3.97
		1,468.72	-	-	1,468.72	1,468.72

Note:

- Investment in Mutual Funds Rs. 100.31 Mn. measured at fair value (mandatory through FVTPL) by valuation technique using Level 1.
- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2024 and March 31, 2023.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

31. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital means the Total Equity as per the Balance Sheet. The primary objective of the Company's capital management is to maximize the Shareholder's wealth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by the total equity.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
Borrowings *	-	380.00
Less: Cash and cash equivalents #	-	64.17
Net Debt (A)	-	315.83
Equity Share Capital	354.55	352.63
Other Equity	7,209.61	8,208.72
Total Equity (B)	7,564.16	8,561.35
Net Debt / Equity (A / B)	-	3.69%

* Though there have been borrowings during the year ended March 31, 2024 the same have been repaid, thus making the borrowings Nil, as at the year end.

not considered, since borrowings were Nil for the year ended March 31, 2024.

In order to achieve the overall objective, the Company's capital management, amongst other things aims to ensure that it meets financial covenants if any, attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest bearing loans / borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

32. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities	As at	As at
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
a) Bank guarantees issued by the bankers to the Company in favour of:		
i) Bankers / customers / vendors, to the subsidiaries / overseas branches, as applicable (refer note no.29)	128.62	81.98
ii) Others	1.96	0.53
b) Corporate guarantee issued in favour of customers of subsidiaries (refer note no. 29)	153.24	764.52
c) Counter Guarantee issued in favour of related party, in respect of Corporate Guarantee given to customer of the Subsidiary (refer note no.29)	127.94	-
d) Claims against the Company not acknowledged as debts		
i) Disputed Tamil Nadu Value Added Tax demand		
1. Relating to FY 2009-10 to FY 2013-14 and pending before The Honorable High Court of Madras	45.52	75.86
2. Relating to FY 2014-15 to FY 2017-18 in respect of which no demand notice has been received	26.73	26.73
ii) Disputed Value Added Tax demand, pending before The Deputy Commissioner of Sales Tax, Mumbai, FY 2012-13	-	0.09
iii) Disputed Service Tax demand, pending before The Assistant Commissioner of Service Tax*	1.21	-

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)**32. Contingent Liabilities and Commitments (Contd.)**

Contingent Liabilities	As at March 31, 2024	As at March 31, 2023
	Rs. Mln.	Rs. Mln.
iv) Disputed Goods and Service Tax demand		
a. Relating to FY 2017-18 to FY 2019-20 pending before The Additional / Joint Commissioner of GST & Central Excise, Adjudication, Chennai	27.85	27.85
b. Relating to FY 2020-21 to FY 2023-24 for which no demand notice has been received	20.98	11.51
v) Other claims	58.91	93.92
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	9.70	24.37

* Further to the appeal filed, CESTAT has adjudicated the case by a) set aside the penalty imposed in the Order in Original b) remanded the main issue to the Jurisdictional Assistant Commissioner as to the eligibility of CENVAT credit in the light of documentary evidences produced by us and also in the light of final orders of the CESTAT for the previous period on similar issues.

Note: The Company is engaged in development of software products, which are marketed by the Company and its overseas subsidiaries. The intellectual property rights are held by the Company. There are in-built warranties for performance and support. Claims which may arise out of these are not quantifiable and hence not provided for.

The Company has undertaken to provide continued financial support to its subsidiaries, Ramco Systems Pte. Ltd., Singapore, Ramco Systems Australia Pty Ltd., Australia, Ramco Systems Sdn. Bhd., Malaysia, Ramco Systems FZ-LLC, Dubai and Ramco System Vietnam Company Limited, Vietnam for their operations and have also undertaken to ensure the going concern status of above subsidiaries and also that of Ramco Systems Sdn. Bhd., Malaysia and Ramco Systems Australia Pty Ltd., Australia with respect to debt dues, if any, to Ramco Systems Ltd., Switzerland.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors has constituted a Risk Management committee, with responsibility including, formulation, monitoring and review of risk management policy, identification of risk mitigation measures and establishment of business continuity plan. The Company has already developed and implemented a risk management policy. The risk management systems are reviewed periodically. The Internal Audit reviews the risk management controls & procedures and reports to the Audit Committee.

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 Interest rate risk

The Company has borrowed debt at variable rates to finance its operations including capital expenditure, which exposes it to interest rate risk. The Company's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

33. Financial Risk Management Objectives and Policies (Contd.)

Interest rate risk exposure on the average borrowing for the year

Rs. Mln.

Particulars of average borrowing	FY 2023-24	FY 2022-23
Fixed rate borrowing	90.20	378.71
Variable rate borrowing	6.54	214.89

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2023-24 by Rs. 0.07 Mln. (FY 2022-23 by Rs.2.15 Mln.).

A.2 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, loans given to overseas subsidiaries, trade payables and bank balances.

The Company's exposure to foreign currency risk with respect to material currencies (where the net exposure is more than USD 1 Mln., in either of the years), is as detailed below:

Foreign currency in Mln.	Trade receivables	Unbilled revenues	Bank balances	Loans given	Trade payables	Total
As at March 31, 2024						
SGD	1.78	-	-	-	(0.26)	1.52
USD	1.53	0.01	-	-	(0.89)	0.65
EUR	0.05	-	-	-	(0.04)	0.01
As at March 31, 2023						
SGD	2.28	0.88	-	1.19	(0.40)	3.95
USD	2.86	1.04	-	0.69	(0.85)	3.74
EUR	0.06	2.00	-	-	(0.48)	1.58

Sensitivity analysis between Indian Rupee and the following material foreign currencies for an increase of / decrease by Re. 1:

Foreign currency	Increase	Decrease
As at March 31, 2024		
SGD	1.52	(1.52)
USD	0.65	(0.65)
EUR	0.01	(0.01)
As at March 31, 2023		
SGD	3.95	(3.95)
USD	3.74	(3.74)
EUR	1.58	(1.58)

The Company follows the following strategy to mitigate the risk of changes in exchange rates on foreign currency exposures:

- Availment of packing credit in foreign currency (PCFC), including entering into cross currency forward contracts in equivalent USD where the exposures are in other currencies. The exposure is Nil for both March 31, 2024 and March 31, 2023.
- Entering into forward contracts which are not covered by PCFC, for such quantum as considered appropriate.

33. Financial Risk Management Objectives and Policies (Contd.)**A.3 Other price risk**

The Company is exposed to equity price risks arising from equity investments. Company's equity investments are primarily in its subsidiaries which are held for strategic rather than trading purposes.

B. Credit risk

Credit risk is the risk of financial loss to the Company, if the customer or counter party to the financial instruments or supplier 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 Trade receivables, unbilled revenues and advance to suppliers and service providers**(i) Trade receivables**

Trade receivables of the Company include a) dues from its overseas subsidiaries amounting to 64% as at March 31, 2024 (61% as at March 31, 2023), of total trade receivables which are risk free and b) dues from others which are exposed to credit risk. The number of external customers (excluding subsidiaries) and the percentage they owed exceeding Rs.5.00 Mln. individually, out of the outstanding as at March 31, 2024, were 12 and 60% respectively (20 and 79% as at March 31, 2023). External customers who accounted for more than 10% of the trade receivable from them, is Nil as at March 31, 2024 (one as at March 31, 2023).

The Company evaluates credit worthiness of each customer.

The Company tracks changes in credit risk of trade receivable using simplified approach as per Ind AS 109. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Where trade receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Provision matrix

Particulars								Rs. Mln.
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Trade receivables (refer note no.12.2)	Unbilled licenses revenue and Unbilled services revenue (refer note no.12.5 & 14)
As at March 31, 2024								
Gross carrying amount	563.51	86.04	4.77	21.41	8.90	81.11	765.74	375.18
Expected loss rate	0.27%	33.04%	100.00%	100.00%	100.00%	100.00%	19.08%	93.64%
Expected credit losses (Allowance for impairment loss)	1.51	28.43	4.77	21.41	8.90	81.11	146.13	351.32
Carrying amount (net of impairment)	562.00	57.61	-	-	-	-	619.61	23.86

33. Financial Risk Management Objectives and Policies (Contd.)

Provision matrix

Particulars								Rs. Mln.
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Trade receivables (refer note no.12.2)	Unbilled licenses revenue and Unbilled services revenue (refer note no.12.5 & 14)
As at March 31, 2023								
Gross carrying amount	711.32	113.62	18.05	17.13	12.52	80.97	953.61	678.08
Expected loss rate	2.77%	2.76%	4.32%	28.37%	74.04%	88.48%	11.47%	18.94%
Expected credit losses (Allowance for impairment loss)	19.71	3.14	0.78	4.86	9.27	71.64	109.40	128.45
Carrying amount (net of impairment)	691.61	110.48	17.27	12.27	3.25	9.33	844.21	549.63

(ii) Unbilled revenues

Unbilled revenues (Unbilled licenses revenue grouped under financial asset and unbilled services revenue grouped under non-financial assets i.e., other assets) of the Company are also exposed to risk in the event of the inability to bill the customer. Unbilled royalty revenue is in respect of overseas subsidiaries, which are risk free.

Number of external customers constituting more than 10% of the unbilled revenues in respect of them, is four as at March 31, 2024 (two as at March 31, 2023).

(iii) Advance to suppliers and service providers

Advance to suppliers and service providers are also exposed to risk in the event of inability to adjust such advances from their billing or otherwise recover the same.

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.

There are no fixed deposits and investment in mutual fund as at the end of current year. (In the previous year, Fixed deposits of Rs. 467.39 Mln. have been placed with 2 Banks having high credit rating. Investment in mutual funds of Rs.100.31 Mln. have been placed in bond, ultra short duration and liquid funds with 3 mutual fund institutions).

B.3 Credit risk exposure

The carrying value of the below assets represent the maximum credit risk:

Particulars	Rs. Mln.	
	As at March 31, 2024	As at March 31, 2023
Trade receivables	619.61	844.21
Unbilled licenses revenue	0.10	266.61
Unbilled royalty revenue	-	106.43
Investments	-	100.31
Loans	1.03	128.87
Other financial assets	40.80	45.49
Unbilled services revenue	23.76	283.02
Advance to suppliers and service providers	4.20	1.87

33. Financial Risk Management Objectives and Policies (Contd.)

The movement in provision for doubtful debts and advances is as below:

Particulars	Rs. Mln.	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	310.17	207.76
Provisions for the year	314.19	109.22
Translation differences	0.64	1.14
Provision utilized for write off	(56.45)	(7.95)
Balance at the end	568.55	310.17

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 the credit lines available.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

Expiring within one year		
Bank cash credit / packing credit / WCDL (subject to the availability of drawing power at the time of drawl)	899.17	1,495.00
Expiring beyond one year	Nil	Nil

Maturities of financial liabilities

Particulars	Rs. Mln.		
	< 1 year	> 1 year	Total
As at March 31, 2024			
Borrowings	-	-	-
Trade and other payables	413.80	-	413.80
Lease liabilities (on undiscounted basis)	134.34	534.39	668.73
	548.14	534.39	1,082.53
As at March 31, 2023			
Borrowings*	380.00	-	380.00
Trade and other payables	472.21	33.38	505.59
Lease liabilities (on undiscounted basis)	126.29	628.26	754.55
	978.50	661.64	1,640.14

* Against this, the Company had parked Rs.300 Mln. in fixed deposits with banks which had been pre closed for the purpose of prepayment of loans on April 03, 2023.

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

34. Financial Ratios

Sl. no.	Particulars	Numerator	Denominator	FY 2023-24	FY 2022-23	Variance (in %)	Reason for variance
1	Current ratio	Current assets	Current liabilities	1.01	1.53	(33.99%)	Declined, mainly due to (a) Utilization of the proceeds of preferential issue fully during the year from out of the opening balance; (b) Decrease in dues from subsidiaries and (c) Decrease in trade receivables and unbilled revenue, offset by Repayment of the entire borrowings.
2	Debt equity ratio	Total debt (including lease liabilities)	Shareholder's equity	0.07	0.11	(36.36%)	Increased, due to repayment of the entire borrowings during the year.
3	Debt service coverage ratio	Net profit after taxes, adjusted for non-cash items	Sum of interest, lease payments, term loan / net working capital loan repayments out of the earnings	0.99	0.01	11,236%	Increased, mainly due to increase in earnings available for debt service.
4	Return on equity ratio in %	Net profits after taxes	Average total equity	(14.00%)	(13.00%)	(1.00%)	
5	Inventory turnover ratio	Cost of goods sold	Average inventory	Nil	Nil	Nil	
6	Trade receivables turnover ratio	Total revenue	Average trade receivables	3.75	3.22	16.46%	
7	Trade payables turnover ratio	Cost of goods sold, services and other expenses, adjusted	Average trade payable including accrued expenses (excluding dues to subsidiaries)	2.82	2.59	8.97%	
8	Net capital turnover ratio	Total revenue	Working capital	215.89	3.00	7,096.33%	Mainly due to steep decline in the working capital and increase in revenue.
9	Net profit ratio in %	Net profit	Total revenue	(41.28%)	(45.60%)	4.32%	
10	Return on capital employed in %	Earnings before interest and taxes	Capital employed*	(25.22%)	(19.09%)	(6.13%)	
11	Return on investment in %	Income generated from short term treasury investments	Weighted average short term treasury investments	7.17%	6.80%	0.37%	

* Tangible net worth + Deferred tax liabilities + Lease liabilities

Notes to Standalone Financial Statements for the year ended March 31, 2024 (Contd.)

35. Preferential Issue 2022

During the previous year, a Preferential Issue of Equity Shares and Warrants Fully Convertible into Equity Shares each at a price of Rs.274/-, aggregating to Rs.1,600 Mln. was made and the shares / warrants were allotted on February 01, 2023 as per details below:

Sl. no.	Name of the allottees	Category	Issue size Rs. Mln.	Consideration received Rs. Mln.	No. of securities allotted
1	Ramco Industries Limited	Promoter Group	450.00	450.00	1,642,335 equity shares
2	Atyant Capital India Fund-I	Non-Promoter	375.00	375.00	1,368,613 equity shares
3	Vanderbilt University	Non-Promoter	375.00	375.00	1,368,613 equity shares
4	Mr. P R Venketrama Raja	Promoter	400.00	100.00*	1,459,854 warrants
			1,600.00	1,300.00	

* Represents upfront payment of 25%. The warrants shall be convertible into equity shares, in one or more tranches, within a period of 18 months from the date of allotment, failing which the amount paid shall be forfeited.

The utilization of the proceeds of "Preferential Issue 2022" is given below:

Particulars	Amount specified as per notice of postal ballot dated December 22, 2022	Cumulative Actuals
Proceeds		
Proceeds received	1,600.00	1,300.00
Utilization		
Repayment of borrowings (Range 920 to 1000)	950.00	975.00
Sales & marketing expenses	100.00	100.00
Capital expenditure towards tangible & intangible assets	200.00	200.00
General corporate purposes (Range 320 to 380)	350.00	25.00
	1,600.00	1,300.00

36. OTHER NOTES

- The Company's shares are listed on BSE Limited and The National Stock Exchange of India Limited
In line with the provisions of the listing agreement with the stock exchanges, the listing fee for the FY 2023-24 have been paid to the BSE Limited and The National Stock Exchange of India Limited.
- Figures for the previous year have been regrouped / restated wherever necessary to make them comparable with the figures for the current year.

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Research and Development Activities

Balance Sheet

As at March 31, 2024

Particulars	Note No.	As at	As at
		March 31, 2024	March 31, 2023
		Rs. Mln.	Rs. Mln.
ASSETS			
Non-current assets			
Property, plant and equipment	1	2.04	2.28
Intangible assets	2	3,535.33	3,336.08
		3,537.37	3,338.36
Current assets			
Financial assets		0.03	0.27
Other current assets		2.13	1.96
		2.16	2.23
Total assets		3,539.53	3,340.59
EQUITY AND LIABILITIES			
Equity			
Other equity			
Retained earnings (Revenue expenditure of R&D activity)		(7,643.54)	(7,014.47)
Total equity		(7,643.54)	(7,014.47)
Liabilities			
Non-current liabilities			
Head office contra account		11,169.81	10,321.54
		11,169.81	10,321.54
Current liabilities			
Financial liabilities			
Trade payables		6.55	8.46
Other current liabilities		6.71	25.06
		13.26	33.52
Total liabilities		11,183.07	10,355.06
Total equity and liabilities		3,539.53	3,340.59
Notes Forming Part of Research & Development Financial Statements			

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Statement of Profit and Loss

For the year ended March 31, 2024

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
		Rs. Min.	Rs. Min.
EXPENSES			
Employee benefits expense	3	31.01	63.35
Depreciation, amortization and impairment expense	1 & 2	576.88	514.07
Other expenditure	4	21.18	-
Total expenses		629.07	577.42
Profit / (Loss) for the year		(629.07)	(577.42)

Notes Forming Part of Research & Development Financial Statements

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Notes Forming part of Research & Development

FINANCIAL STATEMENTS

1. PROPERTY, PLANT AND EQUIPMENT

Particulars				Rs. Mln.
	Laptops and desktops	Servers and networks	Office equipments	Total
Gross carrying value				
As at April 01, 2022	11.08	2.72	0.17	13.97
Additions	0.21	-	0.03	0.24
Disposals	(0.01)	(0.01)	-	(0.02)
As at March 31, 2023	11.28	2.71	0.20	14.19
Additions	0.06	1.34	-	1.40
Disposals	(0.08)	-	-	(0.08)
As at March 31, 2024	11.26	4.05	0.20	15.51
Accumulated depreciation / impairment				
As at April 01, 2022	8.46	1.36	0.17	9.99
For the year	1.48	0.45	-	1.93
Disposals	(0.01)	-	-	(0.01)
As at March 31, 2023	9.93	1.81	0.17	11.91
For the year	1.05	0.59	-	1.64
Disposals	(0.08)	-	-	(0.08)
As at March 31, 2024	10.90	2.40	0.17	13.47
Carrying value				
As at March 31, 2023	1.35	0.90	0.03	2.28
As at March 31, 2024	0.36	1.65	0.03	2.04

Note :

1. There are no restrictions on the title, and there are no pledging as security for liability.
2. The Company has not revalued any of its Property, plant and equipment in the current or previous year.

2. INTANGIBLE ASSETS

Particulars			Rs. Mln.	Total
	Internally developed	Acquired separately		
	Technology platform	Product software	Computer software	
Gross carrying value				
As at April 01, 2022	1,914.16	5,690.90	42.27	7,647.33
Additions	215.43	817.56	-	1,032.99
Deletions	-	-	-	-
As at March 31, 2023	2,129.59	6,508.46	42.27	8,680.32
Additions	179.23	595.26	-	774.49
Deletions	-	-	-	-
As at March 31, 2024	2,308.82	7,103.72	42.27	9,454.81
Accumulated amortization / impairment				
As at April 01, 2022	1,315.74	3,477.27	39.09	4,832.10
For the year	116.26	388.27	0.70	505.23
Disposals	-	-	-	-
Impairment	-	6.91	-	6.91

Notes Forming part of Research & Development Financial Statements (Contd.)

2. Intangible Assets (Contd.)

Particulars	Internally developed		Acquired separately	Rs. Mln.
	Technology platform	Product software	Computer software	Total
As at March 31, 2023	1,432.00	3,872.45	39.79	5,344.24
For the year	123.48	423.86	0.65	547.99
Disposals	-	-	-	-
Impairment	-	27.25	-	27.25
As at March 31, 2024	1,555.48	4,323.56	40.44	5,919.48
Carrying value				
As at March 31, 2023	697.59	2,636.01	2.48	3,336.08
As at March 31, 2024	753.34	2,780.16	1.83	3,535.33

Note :

- The Company has not revalued any of its intangible assets in the current or previous year.
- The estimated remaining useful lives of the material intangible assets viz., Technology platform and Product software are ranging from 1 to 10 years.

3. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Rs. Mln.	Rs. Mln.
Salaries, bonus, contributions etc.,	729.69	886.10
Share based payments	28.10	63.35
Staff welfare	19.11	15.14
Gross cost	776.90	964.59
Less: Product research and development expenditure capitalized	(745.89)	(901.24)
	31.01	63.35

4. OTHER EXPENSES

Postage & telephone	0.51	1.75
Power & fuel	6.11	4.59
Travel & conveyance	6.92	10.31
Rent & Hosting charges	2.11	2.24
Consultancy & outsourcing charges	26.91	104.52
Other miscellaneous expenses	7.22	8.34
Gross cost	49.78	131.75
Less: Product research and development expenditure capitalized	(28.60)	(131.75)
	21.18	-

5. CALCULATION OF TOTAL R&D EXPENDITURE

i) Capital expenditure for R&D (exclusive of product research & development expenditure capitalized) (refer note no.1 & 2)	1.40	0.24
ii) Recurring R&D expenditure:		
Employee benefits expense - gross (refer note no.3)	776.90	964.59
Other expenses - gross (refer note no.4)	49.78	131.75
Sub-total	826.68	1,096.34
Total R&D expenditure (i) + (ii)	828.08	1,096.58

RAMCO SYSTEMS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

SUBSIDIARIES

- 1 Ramco Systems Corporation, USA
- 2 Ramco Systems Ltd., Switzerland
- 3 Ramco Systems Pte. Ltd., Singapore
- 4 Ramco Systems Sdn. Bhd., Malaysia
- 5 RSL Enterprise Solutions (Pty) Ltd., South Africa
- 6 Ramco Systems Canada Inc., Canada
- 7 Ramco Systems FZ-LLC, Dubai
- 8 R S L Software Co. Ltd., Sudan
- 9 Ramco Systems Australia Pty Ltd., Australia
- 10 Ramco System Inc., Philippines
- 11 Ramco Systems (Shanghai) Co. Ltd., China
- 12 Ramco System Vietnam Company Limited, Vietnam
- 13 PT Ramco Systems Indonesia, Indonesia
- 14 Ramco Systems Macau Limited, Macao
- 15 Ramco Software Japan Limited, Japan
- 16 Ramco Systems Defense and Security Incorporated, USA
- 17 Ramco Middle East for Information Technology, Saudi Arabia
- 18 Ramco System LLC, Qatar
- 19 Ramco System Korea Company Limited, South Korea

ASSOCIATE

CityWorks (Pty.) Limited, South Africa

AUDITORS

M S JAGANNATHAN & N KRISHNASWAMI

Chartered Accountants, Chennai

Independent Auditor's Report

To the Members of **Ramco Systems Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards of Ramco Systems Limited ("Holding Company") and its Subsidiaries (together referred to as the "Group") and the share of profit of its Associate. These Consolidated Financial Statements comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year ended 31 March 2024 and a notes to the Consolidated Financial Statements, including material accounting policies and other explanatory information ("Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 Indian Accounting Standards, of the State of Affairs ("Financial Position") of the Group as at 31 March 2024, its Consolidated Loss ("Financial Performance including Other Comprehensive Income"), Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Intangible Assets

The Holding Company's significant cash generating assets are Product Software and Technology Platform. Costs incurred in the development of the product, together with updates to the product functionality, development of new business components, upon completion of the development phase, have been classified as "Product Software". Similarly, costs incurred in the development of Technology Platform framework, together with updates to the technology platform functionality which would enable the Holding Company to provide solutions in both standard and customized way, have been classified as "Technology Platform". These are disclosed under Intangible Assets.

The carrying value of intangible assets is subjected to evaluation based on its existing verticals and functionality and its ability to generate revenue in future for the foreseeable period. The carrying cost of Product Software and Technology Platform as on 31 March 2024 is Rs. 3,533.50 Mn (PY: Rs. 3,333.61 Mn).

Intangible assets related to product software and technology platforms represent a significant portion of the Company's total assets and play a critical role in its operations.

Intangible assets related to software and technology platforms are subject to rapid technological changes and market conditions, which could impair their value. Assessing the recoverability of these assets requires evaluating future cash flows and technological viability. Therefore, there is a risk of intangible assets being misstated due to variations in impairment assessments.

Determining the useful lives of software and technology platform assets and the method of amortization involves significant judgment. Changes in technology, market conditions, or usage patterns can affect the estimated useful lives, impacting amortization expenses.

The accounting for costs related to the development of product software and technology platforms involves

Independent Auditor's Report (Contd.)

specific criteria for capitalization. Ensuring that these costs are appropriately capitalized in accordance with Indian Accounting Standards is crucial.

Given the materiality, complexity, and judgment involved in the valuation, impairment, amortization, and capitalization of intangible assets related to product software and technology platforms, we have determined this to be a Key Audit Matter.

Auditor's Response

We have reviewed and verified the process of capitalization of Product Software and Technology Platform, its amortization and impairment. The Holding Company amortizes the cost incurred in development of these intangible assets over its estimated useful life which is determined as ten years. The Holding Company also periodically reviews the carrying value to ascertain for any impairment and provides for impairment where required.

Our procedures focused on validating the current carrying value by:

1. Ascertaining the functional Structure of the product software and technology platform and their reasonableness; and
2. (a) Evaluating of the appropriateness of the revenue forecasts and operating cash flows that could be generated based on the current functionality of the product software and technology platform, included in the business forecast for the foreseeable future.
 - (b) Reviewing the reasonableness of the key assumptions including those driving the cash flows underpinning the analysis, by:
 - i) Comparing historical budget forecasts against actual results.
 - ii) Comparing forecast growth to business plans approved by the Board.

2. Trade Receivables, Unbilled License Revenue and Unbilled Service Revenue

Trade Receivables

Trade receivables are amounts billed but not yet received. As on 31 March 2024, amount outstanding on this account

is Rs.952.23 Mn (PY: Rs. 1,524.67 Mn). Of this Rs. 10.64 Mn (PY: 6.08 Mn) is due from an Associate.

Unbilled License Revenue

Revenue recognition in the case of Licenses is on delivery of the software and when the customer obtains a right to use such license. The revenue recognized over billing is classified as Unbilled License Revenue and grouped under Financial Assets (both Current and Non-Current). The amount outstanding as on 31 March 2024 is Rs. 190.12 Mn (PY: Rs. 994.58 Mn).

Unbilled Service Revenue

Revenue recognition in the case of services is based on percentage of completion method. The excess revenue over billing is classified as Unbilled Service Revenue and grouped under Other Assets (both Current and Non-Current). The amount outstanding as on 31 March 2024 is Rs. 106.54 Mn (PY: Rs. 1,000.11 Mn).

Trade receivables represent Substantial part of Group's assets and revenue.

Assessing trade receivables involves judgment, especially in estimating allowances for doubtful accounts. This estimation requires considering factors like historical collections and economic conditions.

Unbilled Revenue needs careful evaluation of application of recognition criteria like transfer of control, contract fulfillment, terms, completion stage and completion of milestones.

There is a risk of revenue being recognized prematurely. Given the complexity and judgment required to assess the outstanding balances and the required provision, we consider this as a Key Audit Matter.

Auditor's Response

We have audited the Revenue recognition to ensure that it follows the stated policy. The outstanding amount has certain element of risk.

- i. In the case of Trade Receivable, there could arise a credit risk on account of default of the payment obligation by the customer, resulting in a financial loss.
- ii. In the case of Unbilled License Revenue, the risk could arise on account of inability of the Group to raise invoices on the stated timelines.

Independent Auditor's Report (Contd.)

- iii. In the case of Unbilled Service Revenue, the risk could arise on account of, (a) non-acceptance of the milestones delivered to the customer and, (b) the consequential inability of the Group to invoice those milestones.
- iv. In respect of (ii) and (iii) above, once invoiced, there could arise credit risk as stated in (i) above.

The Group creates a provision for Trade Receivables and Unbilled License Revenue by using a 12-month ECL method based on simplified approach, along with ECL over lifetime of the assets by using a provision matrix which is based on the historical loss experience reflecting current conditions.

In the case of Unbilled Service Revenue, the Group creates a provision using a 12-month ECL based on simplified approach, where credit risk has not increased significantly. In other cases, the impairment is measured based on probability of default over lifetime.

In our evaluation of the key audit matters concerning Trade Receivables and Unbilled Revenue, we have undertaken a comprehensive analysis which includes the following:

1. A thorough examination was conducted by us, of the provision made by the Group, a measure delineated by the Group as one-time provision after performing a strategic evaluation of all business units, considering various factors like project viability, ageing, decision to exit unprofitable solutions, customer descopeing and country specific risks. Our assessment integrates this provision with our prior audits and considers the Group's responses regarding its rationale. Furthermore, we have taken into account the evolution of the Group's business model over the past two years, that has resulted in lowering the risk of Unbilled Revenue.
2. We have reviewed the credit risk policy of the Group. The implementation of such policy has been audited through audit / review of accounts through compliance and substantive testing of selected samples. The substantive audit procedures include ascertaining the contractual obligation of the customers, execution status of the selected projects and consequent recoverability, historical evidence of the ability of the Group in reviving certain stagnant projects.
3. We assessed the ageing of Trade Receivables and Unbilled Revenue, the customer's historical billing and collection patterns along with the technical status of the

projects and whether any payments post year-end have been received up to the date of this report. We have also ascertained the key judgments and assumptions used by the Management in the recoverability assessment of Trade Receivables, Unbilled License Revenue and Unbilled Service Revenue.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our audit report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Cash Flows of the Group including its Associate in accordance with the accounting principles generally accepted in India and including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

Independent Auditor's Report (Contd.)

The respective Management and Board of Directors of the companies included in the Group and its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies and its Associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management and Board of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of its entity in the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We, also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group

Independent Auditor's Report (Contd.)

to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements. Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

The Consolidated Financial Statements reflects the Group's share of total assets of Rs. 4,705.33 Mn as at 31 March 2024, total revenues of Rs. 3,757.85 Mn, total net loss after tax of Rs. 1,317.12 Mn for the year ended 31 March 2024 of the subsidiaries, which were not audited by us but were audited /reviewed by other independent auditors whose reports have been furnished to us by the Management. Our opinion in terms of sub-section (3) and (11) of section 143 of the Act, on the

Consolidated Financial Statements in so far as it relates to the amount as mentioned above and disclosures included in respect of the subsidiaries, is solely based on the report of the other independent auditors.

The Consolidated Financial Statements include Group's share of assets of Rs. 17.13 Mn as at 29 February 2024 and profit after tax of the Associate amounting to Rs. 0.59 Mn for the year ended 29 February 2024, which was not audited by us but were audited by other Independent Auditor whose report have been furnished to us by the Management. Our opinion in terms of sub-section (3) and (11) of section 143 of the Act, on the Consolidated Financial Statements in so far as it relates to the amount as mentioned above and disclosures included in respect of the Associate, is solely based on the report of the other Independent Auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- A. Since none of the Subsidiaries whose financials are included in the Consolidated Financial Statements, have been incorporated in India, the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, is not applicable to them and hence the requirement of indicating the details as required under paragraph 3 and 4 of the Order, does not arise.
- B. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow

Independent Auditor's Report (Contd.)

Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
5. On the basis of the written representations received from the Directors of the Holding Company as on 31 March 2024 and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company is disqualified as on 31 March 2024 from being appointed as a Director in terms of Section 164 (2) of the Act.
6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the Internal Financial Controls over financial reporting of the Holding Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Internal Financial Controls over financial reporting.
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations / claims against the Group as at 31 March 2024 on the Consolidated Financial Position of the Group - Refer note no.30 to the Consolidated Financial Statements.
 - ii. The Group and associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred by the Holding Company to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of its knowledge and belief,

no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries"), or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall:

- Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries"), or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material misstatement.

v. There is no dividend declared or paid during the year by the Holding Company and hence compliance under Section 123 of the Act does not arise.

Independent Auditor's Report (Contd.)

vi. The Holding Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Audit report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its Directors during the year is in

accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Chartered Accountants
Firm Registration No.: 001208S

K. SRINIVASAN

Partner
Membership No.: 021510
UDIN: 24021510BKAHCO9309
Chennai
21 May 2024

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements drawn in accordance with the Indian Accounting Standards, of Ramco Systems Limited

Report on the Internal Financial Controls over the Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("Act")

OPINION

We have audited the Internal Financial Controls over financial reporting of the Holding Company as of 31 March 2024 in conjunction with our audit of the Consolidated Financial Statements for the year ended 31 March 2024. Our reporting of the Internal Financial Controls in the case of Consolidated Financial Statements is applicable only to the Holding Company, which has been audited by us.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, in all material aspects, has an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31 March 2024, based on the internal controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Holding Company's Management and Board of Directors are responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITIES

Our responsibility is to express an opinion on the Holding Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SAs")

issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls and both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's Internal Financial Controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

Annexure A to the Independent Auditor's Report (Contd.)

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.
- conditions, or that the degree of compliance with the policies or procedures may deteriorate.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of Internal Financial Controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that internal Financial Control over financial reporting may become inadequate because of changes in

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

Chartered Accountants
Firm Registration No.: 001208S

K. SRINIVASAN

Partner
Membership No.: 021510
UDIN: 24021510BKAHCO9309

Chennai
21 May 2024

Consolidated Balance Sheet

As at March 31, 2024

Particulars	Note No.	As at March 31, 2024		As at March 31, 2023	
		Rs. Min.	USD Min.	Rs. Min.	USD Min.
ASSETS					
Non-current assets					
Property, plant and equipment	8	179.08	2.16	206.03	2.52
Right-of-use assets	9	550.77	6.64	618.82	7.57
Intangible assets	10	3,568.25	43.03	3,373.53	41.28
Investment in associate	11	17.13	0.26	16.54	0.26
Financial assets					
Loans	12.2	0.05	-	-	-
Trade receivables	12.3	-	-	2.35	0.03
Other financial assets	12.6	69.33	0.84	586.76	7.18
Tax assets (net)		50.37	0.61	11.89	0.14
Deferred tax assets (net)	13	276.15	3.33	218.74	2.68
Other non-current assets	14	5.30	0.06	1.04	0.01
		4,716.43	56.93	5,035.70	61.67
Current assets					
Financial assets					
Investments	12.1	-	-	100.31	1.23
Loans	12.2	0.98	0.01	-	-
Trade receivables	12.3	952.23	11.48	1,522.32	18.63
Cash and cash equivalents	12.4	176.75	2.14	156.06	1.91
Bank balances other than cash and cash equivalents	12.5	107.27	1.29	521.98	6.39
Other financial assets	12.6	203.27	2.45	527.20	6.45
Tax assets (net)		129.62	1.56	160.54	1.96
Other current assets	14	393.70	4.75	1,310.39	16.04
		1,963.82	23.68	4,298.80	52.61
Total assets		6,680.25	80.61	9,334.50	114.28
EQUITY AND LIABILITIES					
Equity					
Equity share capital	15	354.55	6.64	352.63	6.62
Other equity	16	2,759.14	30.88	4,978.79	58.59
Equity attributable to equity holders of the parent		3,113.69	37.52	5,331.42	65.21
Non-controlling interests		36.67	0.53	34.06	0.50
Total equity		3,150.36	38.05	5,365.48	65.71
Liabilities					
Non-current liabilities					
Financial liabilities					
Lease liabilities	17.2	490.43	5.91	549.68	6.73
Trade payables	17.3				
Total outstanding dues of creditors, other than micro and small enterprises		5.41	0.07	33.38	0.41
Provisions	18	419.06	5.06	251.94	3.08
Other non-current liabilities	19	12.27	0.15	15.47	0.19
		927.17	11.19	850.47	10.41
Current liabilities					
Financial liabilities					
Borrowings	17.1	-	-	380.00	4.65
Lease liabilities	17.2	136.58	1.65	134.43	1.65
Trade payables	17.3				
Total outstanding dues of micro and small enterprises		10.85	0.13	20.16	0.25
Total outstanding dues of creditors, other than micro and small enterprises		709.74	8.55	671.76	8.22
Other financial liabilities	17.4	148.62	1.79	4.06	0.05
Provisions	18	162.10	1.95	196.41	2.40
Liabilities for current tax		37.24	0.45	52.56	0.64
Other current liabilities	19	1,397.59	16.85	1,659.17	20.30
		2,602.72	31.37	3,118.55	38.16
Total liabilities		3,529.89	42.56	3,969.02	48.57
Total equity and liabilities		6,680.25	80.61	9,334.50	114.28

Notes Forming Part of Consolidated Financial Statements

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

Particulars	Note No.	Year ended March 31, 2024		Year ended March 31, 2023	
		Rs. Min.	USD Min.	Rs. Min.	USD Min.
INCOME					
Revenue from operations	20	5,258.31	63.92	4,922.23	61.79
Finance income	21	18.30	0.22	44.14	0.55
Other income	22	22.32	0.27	10.95	0.14
Total income		5,298.93	64.41	4,977.32	62.48
EXPENSES					
Purchase of stock-in-trade		32.56	0.40	13.75	0.17
Changes in inventories of stock-in-trade		-	-	-	-
Employee benefits expense	23	3,068.18	37.30	3,415.57	42.87
Finance costs	24	62.23	0.76	99.61	1.25
Depreciation, amortization and impairment expense	25	872.16	10.60	808.24	10.15
Other expenses	26	3,701.65	44.99	2,847.06	35.74
Total expenses		7,736.78	94.05	7,184.23	90.18
Profit / (Loss) before share of profit of an associate		(2,437.85)	(29.64)	(2,206.91)	(27.70)
Share of Profit of an associate	11	0.59	0.01	0.16	-
Profit / (Loss) before tax		(2,437.26)	(29.63)	(2,206.75)	(27.70)
Income tax expense	13				
Current tax (includes MAT)		34.21	0.42	39.95	0.50
Deferred tax (includes MAT credit)		(54.75)	(0.67)	(178.11)	(2.23)
Total income tax expenses		(20.54)	(0.25)	(138.16)	(1.73)
Profit / (Loss) for the year		(2,416.72)	(29.38)	(2,068.59)	(25.97)
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
Remeasurement gains / (losses) of defined benefit obligations		(7.01)	(0.08)	(10.41)	(0.13)
Income tax on above item(s)	13	2.04	0.02	3.03	0.04
Fair value gain / (loss) on Equity Instruments through OCI		-	-	(15.00)	(0.19)
		(4.97)	(0.06)	(22.38)	(0.28)
(ii) Items that may be reclassified to profit or loss					
Effect of change in functional currency of foreign operations		60.04	-	114.96	(4.08)
Income tax on above item(s)		-	-	-	-
		60.04	-	114.96	(4.08)
Other comprehensive income for the year (i + ii)		55.07	(0.06)	92.58	(4.36)
Total comprehensive income for the year		(2,361.65)	(29.44)	(1,976.01)	(30.33)
Profit / (Loss) for the year attributable to:					
a) Shareholders of the Company		(2,419.32)	(29.41)	(2,068.40)	(25.97)
b) Non-controlling interests		2.60	0.03	(0.19)	-
		(2,416.72)	(29.38)	(2,068.59)	(25.97)
Total comprehensive income for the year attributable to:					
a) Shareholders of the Company		(2,364.25)	(29.47)	(1,975.82)	(30.33)
b) Non-controlling interests		2.60	0.03	(0.19)	-
		(2,361.65)	(29.44)	(1,976.01)	(30.33)
Earnings per Equity Share of Rs.10 each, in Rs. and USD (calculated on profit for the year attributable to Shareholders of the Company)					
Basic		(68.51)	(0.83)	(65.60)	(0.82)
Diluted		(68.51)	(0.83)	(65.60)	(0.82)
Weighted average equity shares used in computing earnings per share					
Basic		35,312,113		31,530,253	
Diluted		35,312,113		31,530,253	

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

a. Equity share capital

	Nos. in Min.		Rs. Min.		USD Min.	
Equity shares of Rs. 10 each issued, subscribed and fully paid						
Balance as at April 01, 2022		30.81		308.49		6.08
Changes in Equity Share Capital due to prior period errors		-		-		-
Restated balance at the beginning of the previous reporting period		30.81		308.49		6.08
Changes in Equity Share Capital during FY 2022-23 (refer note no.15)		4.41		44.14		0.54
Balance as at March 31, 2023		35.22		352.63		6.62
Changes in Equity Share Capital due to prior period errors		-		-		-
Restated balance at the beginning of the previous reporting period		35.22		352.63		6.62
Changes in Equity Share Capital during FY 2023-24 (refer note no.15)		0.19		1.92		0.02
Balance as at March 31, 2024		35.41		354.55		6.64

b. Other equity for the year ended March 31, 2024

Particulars	Share application money pending allotment		Securities premium		Employee stock options outstanding		Reserves & Surplus		Retained earnings		Currency translation reserve		Remeasurement (losses) of defined benefit obligation		Items of OCI		Money received against Share Warrants		Total		Non-controlling interests		Total other equity		
	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	
As at April 01, 2023	-	-	7,842.33	135.15	388.80	5.73	(3,565.00)	(66.43)	227.66	(16.89)	-	-	(15.00)	(0.19)	100.00	1.22	4,978.79	58.59	34.06	0.50	5,012.85	59.09			
Profit for the period	-	-	-	-	-	-	(2,419.32)	(29.41)	-	-	-	-	-	-	-	-	(2,419.32)	(29.41)	2.60	0.03	(2,416.72)	(29.38)			
Other comprehensive income (OCI) / (losses)	-	-	-	-	-	-	-	60.04	-	-	(4.97)	(0.06)	-	-	-	-	55.07	(0.06)	-	-	55.07	(0.06)			
Total comprehensive income / (losses)	-	-	7,842.33	135.15	388.80	5.73	(5,984.32)	(95.84)	287.70	(16.89)	(4.97)	(0.06)	(15.00)	(0.19)	100.00	1.22	2,614.54	29.12	36.67	0.53	2,651.21	29.65			
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(4.97)	(0.06)	-	-	4.97	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-
Subscription to stock option schemes & preferential issue	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	0.06	-	-	-	-
Issue of share capital	-	-	12.37	0.15	-	-	-	-	-	-	-	-	-	-	-	-	12.37	0.15	-	-	12.37	0.15	-	-	-
Transfer on exercise of stock options	-	-	50.57	0.61	(50.57)	(0.61)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments for options granted	-	-	-	-	132.17	1.61	-	-	-	-	-	-	-	-	-	-	132.17	1.61	-	-	132.17	1.61	-	-	-
Money received against Share Warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	0.06	-	7,905.27	135.91	470.40	6.73	(5,989.29)	(95.90)	287.70	(16.89)	-	-	(15.00)	(0.19)	100.00	1.22	2,759.14	30.88	36.67	0.53	2,795.81	31.41			

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024 (Contd.)

Other equity for the year ended March 31, 2023

Particulars	Share application money pending allotment		Securities premium		Employee stock options outstanding		Reserves & Surplus		Currency translation reserve		Remeasurement gains/ (losses) of defined benefit obligation		Items of OCI		Money received against Share Warrants		Total		Non-controlling interests		Total other equity	
	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD	Rs.	USD
	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.	Mln.
As at April 01, 2022	-	6,675.74	120.87	3.34	198.48	112.70	12.81	40.37	112.70	(12.81)	-	-	-	-	5,497.70	71.03	34.26	0.50	5,531.96	71.53		
Profit for the period	-	-	-	-	-	-	(2,068.40)	(25.97)	-	-	-	-	-	-	(2,068.40)	(25.97)	(0.19)	-	(2,068.59)	(25.97)		
Other comprehensive income (OCI) / (losses)	-	-	-	-	-	-	-	-	114.96	(4.08)	(0.09)	(7.38)	(15.00)	(0.19)	92.58	(4.36)	-	-	92.58	(4.36)		
Total comprehensive income / (losses)	-	6,675.74	120.87	3.34	198.48	227.66	(16.89)	(66.34)	227.66	(16.89)	(0.09)	(7.38)	(15.00)	(0.19)	3,521.88	40.70	34.06	0.50	3,555.94	41.20		
Less: Transfer to Retained Earnings	-	-	-	-	-	-	(7.38)	(0.09)	-	-	7.38	0.09	-	-	-	-	-	-	-	-	-	-
Subscription to stock option schemes & preferential issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of share capital	-	1,156.86	14.16	-	-	-	-	-	-	-	-	-	-	-	1,156.86	14.16	-	-	1,156.86	14.16		
Transfer on exercise of stock options	-	9.73	0.12	(9.73)	(0.12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments for options granted	-	-	-	200.05	2.51	-	-	-	-	-	-	-	-	-	200.05	2.51	-	-	200.05	2.51		
Money received against Share Warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00	1.22	100.00	1.22	100.00	1.22		
As at March 31, 2023	-	7,842.33	135.15	388.80	5.73	(3,565.00)	(66.43)	(16.89)	227.66	(16.89)	-	-	(15.00)	(0.19)	4,978.79	58.59	34.06	0.50	5,012.85	59.09		

Note: Refer note no.16 for nature and purpose of reserves.

Notes Forming Part of Consolidated Financial Statements

As per our report annexed

For M S JAGANNATHAN & N KRISHNASWAMI

Chartered Accountants

Firm Registration No.: 001208S

P R VENKETRAMA RAJA

Chairman

Rajapalayam

P V ABINAV RAMASUBRAMANIAM RAJA

Whole Time Director

R RAVI KULA CHANDRAN

Chief Financial Officer

SOUNDARA KUMAR

Director

Coimbatore

SUBRAMANIAN SUNDARESAN

Chief Executive Officer

N E VIJAYARAGHAVAN

Company Secretary

K SRINIVASAN

Partner

Membership No.: 021510

Place: Chennai

Date: May 21, 2024

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
A. Cash flow from operating activities:				
Profit / (loss) before tax	(2,437.85)	(29.64)	(2,206.91)	(27.70)
Adjustments for :				
Depreciation and impairment of property, plant and equipment (PPE)	83.50	1.01	89.29	1.12
Amortization and impairment of intangible assets	631.75	7.68	569.55	7.15
Leased assets - Depreciation, impairment and finance costs	209.23	2.55	197.25	2.48
Share based payment expense accrual / (reversal)	132.17	1.61	200.05	2.51
(Profit) / loss on sale of PPE (net)	0.65	0.01	0.62	0.01
Bad debts / provision for doubtful debts & advances, net	1,288.92	15.67	639.20	8.02
Remeasurement of defined benefit obligations	(7.01)	(0.08)	(10.41)	(0.09)
Effect of exchange difference on translation of deferred tax & fixed assets	(0.40)	0.63	(3.69)	2.96
Effect of change in foreign currency translation reserve	60.04	0.01	114.95	(4.21)
Unrealized exchange (gain) / loss	102.88	1.25	58.76	0.74
Finance and investment income	(15.24)	(0.18)	(36.32)	(0.45)
Finance costs	8.93	0.11	45.78	0.57
Grant income	(14.35)	(0.18)	-	-
Operating profit before working capital / other changes	43.22	0.45	(341.88)	(6.89)
Adjustments for :				
Increase / (decrease) in provisions	132.81	1.53	49.22	0.18
Increase / (decrease) in trade and other payables	(0.33)	(0.14)	(14.64)	(0.94)
Increase / (decrease) in other current liabilities	(120.22)	(1.75)	506.99	4.98
(Increase) / decrease in trade and other receivables	1,031.63	13.04	232.25	7.85
Cash generated from operations	1,087.11	13.13	431.94	5.18
Income tax paid	(49.53)	(0.61)	(29.02)	(0.37)
Net cash flow from / (used in) operating activities (A)	1,037.58	12.52	402.92	4.81
B. Cash flow from investing activities:				
Addition to tangible / intangible assets	(887.60)	(10.72)	(1,175.53)	(14.37)
Investment others	100.31	1.23	(100.31)	(1.23)
Proceeds from sale of PPE	3.71	0.04	1.38	0.02
Interest income on loans and deposits	2.25	0.02	3.88	0.04
Receipt of government grants	14.35	0.18	-	-
Net cash flow from / (used in) investing activities (B)	(766.98)	(9.25)	(1,270.58)	(15.54)
C. Cash flow from financing activities:				
Proceeds from issue of Share Capital on account of issue of shares under employee stock option plans and preferential issue	14.25	0.16	1,201.01	14.82
Proceeds from long term borrowings	-	-	300.00	3.77
Proceeds from short term borrowings	712.61	8.66	4,786.15	60.08
Repayment of long term borrowings	(300.00)	(3.68)	-	-
Repayment of short term borrowings	(792.61)	(9.63)	(4,706.15)	(59.19)
Payment of lease liabilities	(198.27)	(2.43)	(191.27)	(2.47)
Finance costs paid	(8.93)	(0.11)	(45.78)	(0.57)
Finance income	12.99	0.16	32.44	0.41
Proceeds from issue of share warrants	-	-	100.00	1.22
Net cash flow from / (used in) financing activities (C)	(559.96)	(6.87)	1,476.40	18.07
Net increase / (decrease) in cash and cash equivalents [A+B+C]	(289.36)	(3.60)	608.74	7.34

Consolidated Statement of Cash Flows

For the year ended March 31, 2024 (Contd.)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Effect of unrealized exchange (gain) / loss	(102.88)	(1.25)	(58.76)	(0.74)
Net cash generated / (used in) for the year	(392.24)	(4.85)	549.98	6.60
Cash and cash equivalents at the beginning of the year	678.04	8.30	128.06	1.70
Less: Provision for doubtful balances	1.78	0.02	-	-
Cash and cash equivalents as at the end of the year	284.02	3.43	678.04	8.30
Components of cash and cash equivalents:				
Cash and cash equivalents (refer note no.12.4)				
Cash on hand	0.43	0.01	0.57	0.01
Balances with Banks				
In current accounts	174.28	2.11	155.49	1.90
Cheques, drafts on hand	2.04	0.02	-	-
Bank balances other than cash and cash equivalents (refer note no.12.5)				
Fixed deposits with Banks	-	-	467.39	5.72
Balance with Bank in Unspent CSR account (refer standalone note no.28)	3.43	0.04	7.38	0.09
Balances held in the bank on behalf of customers	103.84	1.25	47.21	0.58
Balance as per statement of cash flows	284.02	3.43	678.04	8.30

Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Particulars	Year ended March 31, 2023	Cash changes		Non-cash changes	Year ended March 31, 2024
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	80.00	712.61	(792.61)	-	-
Term Loan	300.00	-	(300.00)	-	-
	380.00	712.61	(1,092.61)	-	-

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	684.11	-	(198.27)	141.17	627.01
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Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Particulars	Year ended March 31, 2023	Cash changes		Non-cash changes	Year ended March 31, 2024
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	0.97	8.66	(9.63)	-	-
Term Loan	3.68	-	(3.68)	-	-
	4.65	8.66	(13.31)	-	-

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	8.38	-	(2.43)	1.61	7.56
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Consolidated Statement of Cash Flows

For the year ended March 31, 2024 (Contd.)

Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Particulars	Year ended March 31, 2022	Cash changes		Non-cash changes	Year ended March 31, 2023
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	-	4,786.15	(4,706.15)	-	80.00
Term Loan	-	300.00	-	-	300.00
	-	5,086.15	(4,706.15)	-	380.00

Rs. Mln.

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	555.92	-	(191.27)	319.46	684.11
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Reconciliation of changes in liabilities arising from financing activities pertaining to borrowings (excluding bank overdraft):

Particulars	Year ended March 31, 2022	Cash changes		Non-cash changes	Year ended March 31, 2023
		Receipts	Payments		
Working Capital Demand Loan, Packing Credit in Foreign Currency and Cash Credit	-	60.08	(59.19)	0.08	0.97
Term Loan	-	3.77	-	(0.09)	3.68
	-	63.85	(59.19)	(0.01)	4.65

USD Mln.

Reconciliation between the opening and closing balances of lease liabilities:

Lease liabilities	7.38	-	(2.47)	3.47	8.38
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Note: The cash flows from operating activities under the above Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash flows.

Notes Forming Part of Consolidated Financial Statements

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024

Notes to Consolidated Financial Statements

For the year ended March 31, 2024

1. GROUP INFORMATION

The consolidated financial statements comprise financial statements of Ramco Systems Limited, India (the “Company” or the “Parent”) and its subsidiaries (collectively, “Group”) and affiliate as given below for the year ended March 31, 2024.

Sl. no.	Name	Country	% holding by the Parent	Year ending on
Subsidiaries				
1	Ramco Systems Corporation	USA	98%	31st March
2	Ramco Systems Ltd.	Switzerland	100%	31st March
3	Ramco Systems Sdn. Bhd.	Malaysia	100%	31st March
4	Ramco Systems Pte. Ltd.	Singapore	100%	31st March
5	RSL Enterprise Solutions (Pty) Ltd.	South Africa	100%	31st March
6	Ramco Systems Canada Inc. (Step-down subsidiary of sl. no. (1) above)	Canada	98%	31st March
7	Ramco Systems FZ-LLC	Dubai	100%	31st March
8	R S L Software Co. Ltd.	Sudan	100%	31st March
9	Ramco Systems Australia Pty Ltd.	Australia	100%	31st March
10	Ramco System Inc.	Philippines	100%	31st March
11	Ramco Systems (Shanghai) Co. Ltd.	China	100%	31st March
12	Ramco System Vietnam Company Limited	Vietnam	100%	31st March
13	PT Ramco Systems Indonesia	Indonesia	100%	31st March
14	Ramco Systems Macau Limited (Step-down subsidiary of sl. no. (4) above)	Macao	100%*	31st March
15	Ramco Software Japan Limited	Japan	100%	31st March
16	Ramco Systems Defense and Security Incorporated (Step-down subsidiary of sl. no. (1) above)	USA	98%	31st March
17	Ramco Middle East for Information Technology	Saudi Arabia	100%*	31st March
18	Ramco System LLC	Qatar	100%*	31st March
19	Ramco System Korea Company Limited (incorporated on November 13, 2023)	South Korea	100%	31st March

* Investments in the equity of these subsidiaries have yet to be made.

Associate /Affiliate

A	CityWorks (Pty.) Limited, South Africa (Associate of sl. no. (5) above)	South Africa	30%	29th February
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CORPORATE INFORMATION

Ramco Systems Limited (the “Company”) is a public limited company domiciled and headquartered in India and incorporated on February 19, 1997, under the provisions of Companies Act, 1956. Its shares are listed in BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is located at No. 47, P.S.K Nagar, Rajapalayam 626108 and the corporate office and R&D center is located at 64, Sardar Patel Road, Taramani, Chennai 600113.

The 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 subsidiary companies are involved in selling / implementing / supporting the products developed by the Parent.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, presentation requirements of Division II of Ind AS compliant Schedule III to the Act and guidelines issued by the Securities and Exchange Board of India, wherever applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Pursuant to General Circular No.39/2014 dated October 14, 2014 issued by the Ministry of Corporate Affairs that the disclosures made already under the separate financial statements are not repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.

The consolidated financial statements for the year ended March 31, 2024 were approved and adopted by the Board of Directors of the Company in its meeting held on May 21, 2024.

3. PRESENTATION & ROUNDING NORMS

The consolidated financial statements are presented in Indian Rupees (i.e., the functional currency of the Parent) as well as in United States Dollars (USD) and all values are rounded to the nearest million ("Mln.") with two decimals, except when otherwise indicated. In addition to presenting the financial statements in the functional currency of Indian Rupees, the Group also provides financial statements in USD to enhance readability and facilitate a broader understanding for its diverse stakeholders. Figures less than ten thousands are shown as nil / hyphen ("-").

Previous year figures have been re-grouped / restated wherever it may be appropriate.

4. BASIS OF PREPARATION

4.1 The consolidated financial statements have been prepared under the historical cost convention on accrual basis except certain instruments and defined benefit plan assets, share based payments that are measured at fair values or at amortized cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as the operating cycle for determining current and non-current classification of assets and liabilities in the Balance Sheet.

4.2 Basis of consolidation

The consolidated financial statements comprise of the financial statements of the Group and Affiliate. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- b. Exposure or rights, to variable returns from its involvement with the investee, and
- c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed-off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions or other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's financial statements.

The financial statements of subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenditure after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses. The financial statements of the Affiliate have been consolidated using the Equity Method. The most recent available financial statements of the associate is used in applying the Equity Method.

Non-controlling interest in the net assets of consolidated subsidiaries consists of: a) the amount of equity attributable to the non-controlling interest

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

at the dates on which investment in a subsidiary is made; and b) the share of movements in equity of non-controlling interest since the date the parent-subsidiary relationship came into existence.

4.3 Foreign currency transactions

The Group's consolidated financial statements are presented in Indian Rupees ("INR") as well as in USD. INR is also the functional currency of the Parent Company. For each entity, the Group 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 P&L.

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 Other Comprehensive Income ("OCI") or P&L are also recognized in OCI or P&L, respectively). 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 Group initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss ("P&L") are translated at the monthly moving average exchange rates applicable for the year. The equity share capital

is stated at the exchange rate at the date of the investment. Foreign currency exchange differences are generally recognized in P&L, except where the foreign currency differences require recognition through OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in P&L.

Translation of financial statements of foreign branches

The functional currencies of foreign branches are the respective local currencies of their domicile. All income and expenditure transactions during the year are reported at a monthly moving average exchange rate for the respective periods. All assets and liabilities are translated at the rate prevailing on the Balance Sheet date. Net gain / loss on foreign currency translation is recognized in OCI.

5. RECENT PRONOUNCEMENTS

5.1 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company for consolidation.

5.2 Ind AS 1 - Presentation of Financial Statements

The details of amendment to the existing standards that are relevant to the Group with effect from April 01, 2023 are given below:

The amendment to Ind AS 1 on 'Presentation of financial statements' stipulates that the entity shall disclose material accounting policy information rather than significant accounting policies. Accounting policy information is considered material when accounting policy is related to a material transaction, event, or condition and involves either a change in accounting policy or one or more permissible accounting policy choices or accounting policy development in the absence of specific standard, or significant judgment or assumptions involved in applying such policy, or complexity of accounting requiring one or more application of Ind AS.

Accordingly, the Group has revised its accounting policy disclosures by specifically providing only material accounting policies ensuring no obscuring

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

information. The above amendment has no financial effect on the Group.

6. MATERIAL ACCOUNTING POLICIES

a. Revenue recognition

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 P&L upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services or products and excluding taxes or duties. To recognize revenues, the Group 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 Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgment 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 Group allocates the contract value to separately identifiable performance obligations based on their relative standalone 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 Group is unable to determine the standalone selling price, the Group uses expected cost-plus margin approach in estimating the standalone 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 Group'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.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

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 P&L 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 Group 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.

(b) Managed Services

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

(c) Contract balances

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).

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

The Group 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 Group 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.

(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.

b. Finance income

Interest on bank deposits / investments (short term other than equity) is recognized on accrual basis.

Finance income Interest on bank deposits / investments (short term other than equity) is recognized on accrual basis. Interest income from financial assets is recognized using effective interest rate method.

c. Employee benefits expense

Short term employee benefits

Short-term employee benefits viz., salaries, wages, other benefits are recognized as an expense at the undiscounted amount in the P&L for the year in which the related service is rendered. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share based payments

When the stock options are exercised, the Company issues fresh issue of Equity Shares, upon receipt of exercise price from the option grantees. The proceeds received are allocated to Share Capital up to the face value of shares issued, with any excess being accounted as Securities Premium in the Balance Sheet. The cost of fair value determined at the grant date is expensed over the vesting period in the Profit and Loss.

Post-employment benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes and are expensed as an employee benefits expense in the P&L in the period in which the related service is provided by the employee.

The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organization, Government of India, at 12% of employee's basic salary.

The Company contributes to Superannuation Fund / National Pension System (NPS) at a sum equivalent to 15% (not exceeding rupees one lakh fifty thousand per annum) and 10% respectively, of the eligible employee's basic salary, for those who have opted to participate, based on the option exercised by them.

Contributions to Provident Fund, Superannuation Fund, and National Pension System (NPS) are recognized as an expense in the P&L for the year in which the employees have rendered services. There are no further obligations except for the above said contributions.

The subsidiary companies also contributes to the applicable statutory funds in the year in which the employees have rendered services.

Defined Benefit Plan

The Company contributes to a defined benefit plan viz., an approved Gratuity Fund, for its employees including eligible employees in subsidiary companies. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Company makes annual contributions to the Gratuity scheme administered through the trust formed for the purpose. The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the Balance Sheet date using the "projected unit credit method".

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to OCI in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted for in the P&L.

Other long term employee benefits

The Group provides for expenses towards compensated absences provided to its employees, while it is expected to be carried forward beyond twelve months as a long-term employee benefit, which is the amount of future benefit that employees have accumulated at the end of the year. The expense is recognized at the present value of the amount payable determined based on actuarial valuation by an independent external actuary as at the Balance Sheet date using the “projected unit credit method”.

In respect of certain subsidiaries, such benefits to the extent applicable have been provided for in the books as per their local requirements.

d. Income taxes

Current tax is the amount of tax payable or receivable on the taxable income or loss for the year as determined in accordance with the tax rates (and tax laws) that have been enacted at the reporting date, as per the provisions of the Income Tax Act, 1961 for the Company and other applicable tax laws in the countries where the Group operates and generate taxable income.

Current tax assets and liabilities are offset, when the Group 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 Company reviews the “MAT Credit Entitlement” at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

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 Group 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 P&L is recognized in OCI.

e. Property, plant and equipments (PPE)

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 Group 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 as indicated under Schedule II of the Act, over the useful life of the assets. Depreciation in the books of subsidiaries 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 Group are tabled below:

Asset type	Useful life in years	Useful life in years - as per Companies Act, 2013
Building	60	60
Laptops and desktops	3 to 5	3
Servers and networks	6	6
Furniture and fixtures	5 to 16	10
Office equipments	3 to 7	5
Electrical items	5 to 10	10
Vehicles	8	8

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 P&L when the asset is de-recognized.

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. Leases

Group as a lessee

The Group recognizes right-of-use assets and a lease liability at the commencement date, except short term leases and low value leases. The Group's lease asset classes primarily consist of leases for Land, Buildings and Office equipments.

Right-of-use assets are depreciated on a straight line basis over the lease term. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability measured at amortized cost using the effective interest method. In calculating the present value of lease payments, the Group uses its incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the P&L if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities as a separate line item on face of the Balance Sheet.

The Group has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Group

recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

Operating lease receipts are recognized in the P&L on straight-line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases.

g. Intangible assets

Intangible assets acquired from third party and the patents granted, are measured on initial recognition at cost by the Group.

The cost of development of software are capitalized and recognized as an Intangible asset when the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and intends to use or commercially exploit. Subsequent expenditure is capitalized only when it increases the future economic benefits. Research costs and internally generated intangibles (excluding capitalized software development costs) are not capitalized and the related expenditure is reflected in the P&L in the period in which the expenditure is incurred.

The useful lives of intangible assets of the Company are assessed as finite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the P&L when the asset is de-recognized.

Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as "Product software"

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

under intangible assets. Similarly, costs incurred in the development of technology platform framework, which would enable the Company to provide solutions - both standard and customized - in an efficient manner, have been classified and grouped as "Technology platform" under intangible assets.

During the period of development and thereafter, the asset is tested for impairment annually.

The useful life of the above assets is estimated as under:

Asset type	Useful life in years
Self-generated R&D (Product software & Technology platform)	10
Computer software	Lower of license period and 3 to 6
Patents	10

h. Financial Instruments

The Group initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets, which are categorized as equity instruments at FVTOCI, and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Group.

Financial assets

Financial assets comprise of investments in equity and mutual funds, loans, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through P&L (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset. However, Trade receivables that do not contain a significant financing component are initially measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the P&L at initial recognition if the fair value is determined through a quoted market price in an active market

for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the P&L only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

- The Group's business model for managing the financial asset and,
- The contractual cash flow characteristics of the financial asset:

Classification	Name of Financial Assets
Amortized cost	Trade receivables, Loans and advances, deposits, Interest receivable, unbilled revenue and other advances recoverable in cash or kind. These assets are subsequently measured at amortized cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains / losses and impairment recognition are recognized in P&L.
FVTOCI	Equity investments in companies (including compound financial instrument, which qualify as equity under Ind AS 32), other than investment in associate as an irrevocable option exercised at the time of its initial recognition. These assets are subsequently measured at fair value. Dividends recognized in P&L and the net gains / losses are recognized in OCI.
FVTPL	Investments in mutual funds, forward exchange contracts. These assets are subsequently measured at fair value, net gains / losses including any interest or dividend income, are recognized in P&L.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

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, as detailed below depending on the business model:

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

Investment in equity of associate is carried at cost.

For impairment purposes, significant financial assets are tested on an 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	The Group uses the simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic and 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 Group reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial liabilities

Financial liabilities comprise of Borrowings, Trade payables, Derivative financial instruments, Financial guarantee obligations, Lease liabilities and Other financial liabilities.

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through P&L (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the P&L at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the P&L only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method except for certain items like foreign exchange forward contracts that do not qualify for hedge accounting are measured at fair value through P&L (FVTPL).

Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognized initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Fair value measurement

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

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

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

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

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Balance Sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period (i.e.) based on the lowest level input that is significant to the fair value measurement as a whole.

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

i. Impairment of non-financial assets

The carrying amount of assets i.e., property, plant and equipment including right-of-use asset, investment properties, cash generating units and intangible assets other than inventories & deferred tax assets, are reviewed for impairment at each reporting date, if there is any indication of impairment based on internal and external factors.

Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value.

The Group impairs the Unbilled services revenue using the simplified approach wherein Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates 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.

j. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognized as finance cost.

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.

A provision for onerous & other contract obligations are measured at the present value of the lower of the expected cost of terminating the contract and expected net cost of continuing with the contract considering the incremental cost of fulfilling the obligations.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

The Group does not recognize such liability and only discloses the same in the financial statements.

Contingent asset is not recognized in the financial statements as it may result in the recognition of income that may never be realized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

k. Segment Reporting

The Group's business operation comprises of single operating segment viz., Software and related solutions. The 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.

7. SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements requires the Group's management ("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 estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have the material effects on the amounts recognized in the consolidated financial statements is included in the following notes:

Revenue recognition

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

The Group 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 Group 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 Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in the 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 Group uses judgment to determine an appropriate standalone selling price for a performance obligation. The Group 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 Group 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.

Defined benefit plans and other long term benefits

The cost of the defined benefit plan and other long-term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long-term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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 and applicable judicial precedents.

Deferred tax asset

Significant management judgment is exercised by reviewing the deferred tax assets, including MAT credit entitlement, 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.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)**Property, plant and equipment (PPE) and intangible assets**

The residual values and estimated useful life of PPEs and intangible assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation / amortization / impairment.

Determination of lease term of contracts as non-cancellable term

Significant management judgment is exercised in determining the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised, by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

Intangible asset

Significant management judgment is exercised in identifying an intangible asset and estimating its useful life, which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from such asset. Amortization methods and useful lives are reviewed at each financial year end.

Impairment**Impairment of assets**

Significant management judgment is exercised in determining whether the investment in associate is impaired or not is on the basis of its nature of long-term strategic investment and business projections.

The impairment for trade receivables / unbilled licenses / unbilled services / loans and other receivables 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.

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgment considering the timing of future cash flows, discount rates and the risks specific to the asset.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions

The timing of recognition requires application of judgment to existing facts and circumstances that may be subject to change. The litigations and claims to which the Group is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities

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

Share based payments

The Company initially measures the stock options granted to the employees, using a fair value model. This requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility, dividend yield and making assumptions.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

8. PROPERTY, PLANT AND EQUIPMENT

Particulars	Building		Laptops and desktops		Servers and networks		Furniture and fixtures		Office equipments		Electrical items		Vehicles		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Gross carrying value																
As at April 01, 2022	3.12	0.04	422.83	5.61	185.82	2.47	78.82	1.05	135.59	1.80	16.90	0.22	38.23	0.51	881.31	11.70
Additions	-	-	39.18	0.48	9.10	0.11	9.29	0.11	1.88	0.02	0.21	-	32.22	0.39	91.88	1.11
Disposals	-	-	(12.03)	(0.15)	(0.25)	-	(1.19)	(0.01)	(0.26)	-	(1.06)	(0.01)	(3.78)	(0.05)	(18.57)	(0.22)
Exchange difference	-	-	12.53	(0.28)	0.03	(0.20)	2.20	(0.06)	5.40	(0.08)	0.16	(0.01)	(0.01)	(0.03)	20.31	(0.66)
As at March 31, 2023	3.12	0.04	462.51	5.66	194.70	2.38	89.12	1.09	142.61	1.74	16.21	0.20	66.66	0.82	974.93	11.93
Additions	-	-	3.77	0.05	32.75	0.39	-	-	6.49	0.08	1.91	0.02	16.19	0.20	61.11	0.74
Disposals	-	-	(7.78)	(0.09)	-	-	-	-	-	-	(1.03)	(0.01)	(8.01)	(0.10)	(16.82)	(0.20)
Exchange difference	-	-	1.10	(0.07)	0.02	(0.03)	(0.16)	(0.02)	(0.18)	(0.03)	0.02	-	0.01	(0.01)	0.81	(0.16)
As at March 31, 2024	3.12	0.04	459.60	5.55	227.47	2.74	88.96	1.07	148.92	1.79	17.11	0.21	74.85	0.91	1,020.03	12.31
Accumulated depreciation / impairment																
As at April 01, 2022	2.04	0.03	336.37	4.46	113.09	1.50	62.52	0.83	126.31	1.68	13.70	0.18	22.02	0.29	676.05	8.97
For the year	0.05	-	51.16	0.65	22.39	0.28	4.99	0.06	5.11	0.06	0.94	0.01	4.65	0.06	89.29	1.12
Disposals	-	-	(11.94)	(0.15)	(0.25)	-	(0.87)	(0.01)	(0.25)	-	(0.71)	(0.01)	(2.56)	(0.03)	(16.58)	(0.20)
Exchange difference	-	-	12.26	(0.21)	0.03	(0.12)	2.40	(0.04)	5.29	(0.07)	0.17	(0.01)	(0.01)	(0.03)	20.14	(0.48)
As at March 31, 2023	2.09	0.03	387.85	4.75	135.26	1.66	69.04	0.84	136.46	1.67	14.10	0.17	24.10	0.29	768.90	9.41
For the year	0.06	-	42.79	0.52	23.86	0.29	4.78	0.06	3.65	0.04	0.78	0.01	7.58	0.09	83.50	1.01
Disposals	-	-	(7.58)	(0.09)	-	-	-	-	-	-	(1.03)	(0.01)	(3.87)	(0.05)	(12.48)	(0.15)
Exchange difference	-	-	1.27	(0.04)	0.01	(0.03)	(0.15)	(0.01)	(0.12)	(0.03)	0.02	-	-	(0.01)	1.03	(0.12)
As at March 31, 2024	2.15	0.03	424.33	5.14	159.13	1.92	73.67	0.89	139.99	1.68	13.87	0.17	27.81	0.32	840.95	10.15
Carrying value																
As at March 31, 2023	1.03	0.01	74.66	0.91	59.44	0.72	20.08	0.25	6.15	0.07	2.11	0.03	42.56	0.53	206.03	2.52
As at March 31, 2024	0.97	0.01	35.27	0.41	68.34	0.82	15.29	0.18	8.93	0.11	3.24	0.04	47.04	0.59	179.08	2.16

Note:

- There are no restrictions on the title, and there are no pledging as security for liabilities.
- The Group has not revalued any of its property, plant and equipment in the current or previous year.

9. RIGHT-OF-USE ASSETS

Particulars	Building		Land		Office equipments		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Gross carrying value								
As at April 01, 2022	830.99	11.03	19.04	0.25	5.56	0.07	855.59	11.35
Additions	288.38	3.53	-	-	2.24	0.03	290.62	3.56
Disposals	(54.57)	(0.67)	-	-	-	-	(54.57)	(0.67)
Exchange difference	7.27	(0.77)	-	(0.02)	-	-	7.27	(0.79)
As at March 31, 2023	1,072.07	13.12	19.04	0.23	7.80	0.10	1,098.91	13.45
Additions	98.51	1.19	5.25	0.06	1.43	0.02	105.19	1.27
Disposals	(64.94)	(0.97)	-	-	-	-	(64.94)	(0.97)
Exchange difference	(9.74)	(0.12)	-	-	-	-	(9.74)	(0.12)
As at March 31, 2024	1,095.90	13.22	24.29	0.29	9.23	0.12	1,129.42	13.63
Accumulated depreciation								
As at April 01, 2022	339.78	4.50	14.29	0.19	4.90	0.07	358.97	4.76
For the year	143.12	1.80	4.75	0.06	1.53	0.02	149.40	1.88
Disposals	(32.37)	(0.40)	-	-	-	-	(32.37)	(0.40)
Exchange difference	4.09	(0.33)	-	(0.02)	-	(0.01)	4.09	(0.36)
As at March 31, 2023	454.62	5.57	19.04	0.23	6.43	0.08	480.09	5.88
For the year	150.61	1.84	4.82	0.06	1.48	0.02	156.91	1.92
Disposals	(49.38)	(0.69)	-	-	-	-	(49.38)	(0.69)
Exchange difference	(8.97)	(0.12)	-	-	-	-	(8.97)	(0.12)
As at March 31, 2024	546.88	6.60	23.86	0.29	7.91	0.10	578.65	6.99
Carrying value								
As at March 31, 2023	617.45	7.55	-	-	1.37	0.02	618.82	7.57
As at March 31, 2024	549.02	6.62	0.43	-	1.32	0.02	550.77	6.64

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

10. INTANGIBLE ASSETS

Particulars	Internally developed						Acquired seperately		Total	
	Technology platform		Product software		Patents		Computer software		Rs. Mln.	USD Mln.
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.		
Gross carrying value										
As at April 01, 2022	1,914.16	25.41	5,690.90	75.56	14.23	0.19	282.81	3.76	7,902.10	104.92
Additions	215.43	2.64	817.56	10.00	-	-	50.66	0.62	1,083.65	13.26
Deletions	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	(1.99)	-	(5.92)	-	(0.02)	1.83	(0.27)	1.83	(8.20)
As at March 31, 2023	2,129.59	26.06	6,508.46	79.64	14.23	0.17	335.30	4.11	8,987.58	109.98
Additions	179.23	2.16	595.26	7.18	-	-	51.99	0.63	826.48	9.97
Deletions	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	(0.38)	-	(1.16)	-	(0.01)	0.35	(0.06)	0.35	(1.61)
As at March 31, 2024	2,308.82	27.84	7,103.72	85.66	14.23	0.16	387.64	4.68	9,814.41	118.34
Accumulated amortization / impairment										
As at April 01, 2022	1,315.74	17.47	3,477.27	46.17	13.04	0.17	236.62	3.15	5,042.67	66.96
For the year	116.26	1.46	388.27	4.87	0.45	0.01	57.66	0.72	562.64	7.06
Impairment loss	-	-	6.91	0.09	-	-	-	-	6.91	0.09
Exchange difference	-	(1.41)	-	(3.75)	-	(0.01)	1.83	(0.24)	1.83	(5.41)
As at March 31, 2023	1,432.00	17.52	3,872.45	47.38	13.49	0.17	296.12	3.63	5,614.06	68.70
For the year	123.48	1.50	423.86	5.16	0.29	-	56.87	0.69	604.50	7.35
Impairment loss	-	-	27.25	0.33	-	-	-	-	27.25	0.33
Exchange difference	-	(0.28)	-	(0.74)	-	(0.01)	0.35	(0.04)	0.35	(1.07)
As at March 31, 2023	1,555.48	18.74	4,323.56	52.13	13.78	0.16	353.34	4.28	6,246.16	75.31
Carrying value										
As at March 31, 2023	697.59	8.54	2,636.01	32.26	0.74	-	39.18	0.48	3,373.52	41.28
As at March 31, 2024	753.34	9.10	2,780.16	33.53	0.45	-	34.30	0.40	3,568.25	43.03

Note:

- The Group has not revalued any of its intangible assets in the current or previous year.
- The estimated remaining useful lives of the material intangible assets viz., Technology platform and Product software are ranging from 1 to 10 years.

11. INVESTMENT IN ASSOCIATE / AFFILIATE

RSL Enterprise Solutions (Pty) Ltd., South Africa (RSSA) is a wholly owned subsidiary of Ramco Systems Limited, India, the holding company. RSSA holds 30% (PY 30%) shares in CityWorks (Pty.) Limited, South Africa, which is involved in the business of Information Technology Solutions. The Group's interest in immaterial associate, accounted for using the equity method in the consolidated financial statement is as below:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Group's share in:				
Profit after tax	0.59	0.01	0.16	-
Other comprehensive income	-	-	-	-
Total comprehensive income (TCI)	0.59	0.01	0.16	-

Aggregate value of unquoted equity investments in trade, long term, 600 shares (PY 600) of face value ZAR 1 each:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Opening carrying amount	16.54	0.26	16.38	0.25
Group's share of profit in TCI	0.59	0.01	0.16	-
Exchange difference	-	(0.01)	-	0.01
Closing carrying amount	17.13	0.26	16.54	0.26
Aggregate amount of impairment in the value of investment	-	-	-	-

The accounting period of the associate is March to February. The equity adjustment is considered based on the financials prepared by the associate for the said period and no further adjustments considered as they are not material.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

FINANCIAL ASSETS

12.1 INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Equity investment in other entities at cost, long term, trade, unquoted (designated at FVTOCI)				
Non-current				
2,335 Shares in SmartMegh Solutions Private Limited, India of face value of Rs.10 each (as at March 31, 2023 2,335 Shares @ Rs.10 each)	15.00	0.23	15.00	0.23
Less: Allowance for impairment loss	15.00	0.23	15.00	0.23
	-	-	-	-
Aggregate value of unquoted investment	15.00	0.23	15.00	0.23
Aggregate value of impairment in value of investment	15.00	0.23	15.00	0.23
Current				
Investments (designated at FVTPL)				
Investment in Mutual Funds*	-	-	100.31	1.23
	-	-	100.31	1.23
Aggregate value of unquoted investments	-	-	100.31	1.23
Aggregate amount of impairment in value of investments	-	-	-	-

* Represents the market value of the investment made out of the surplus from the proceeds of Preferential Issue 2022, temporarily parked pending utilization towards the objects of the issue.

12.2 LOANS

Non-current				
Unsecured, considered good				
Loans to employees	0.05	-	-	-
	0.05	-	-	-
Current				
Unsecured, considered good				
Loans to employees	0.98	0.01	-	-
	0.98	0.01	-	-

12.3 TRADE RECEIVABLES

Unsecured, considered good				
Non-current				
Trade receivables - other than related parties	-	-	2.61	0.03
Unsecured, considered doubtful				
Trade receivables - other than related parties	543.06	6.55	343.91	4.21
	543.06	6.55	346.52	4.24
Less: Allowance for impairment loss	543.06	6.55	344.17	4.21
	-	-	2.35	0.03
Current				
Unsecured, considered good				
Trade receivables - associate	10.64	0.13	6.08	0.07
Trade receivables - other related parties	0.02	-	23.45	0.29
Trade receivables - other than related parties	1,097.13	13.23	1,614.24	19.76
	1,107.79	13.36	1,643.77	20.12
Less: Allowance for impairment loss	155.56	1.88	121.45	1.49
	952.23	11.48	1,522.32	18.63

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days, except the contracts which are entered with deferred credit terms.

Trade receivables are neither due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note no.27. For details, terms and conditions relating to related party receivables, refer note no.27.

Notes to Consolidated Financial Statements for the year ended March 31, 2023 (Contd.)

12.3 Trade receivables (Contd.)

Trade receivables ageing schedule (Contd.)

Particulars	As at March 31, 2023														Unbilled revenue (refer note no.12.6)	
	Outstanding for following periods from due date of payment															
	Not due		Less than 6 months		6 months -1 year		1-2 years		2-3 years		More than 3 years		Total		Rs. Mln.	USD Mln.
Non-current	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Undisputed trade receivables – considered good	2.61	0.03	-	-	-	-	-	-	-	-	-	-	2.61	0.03	570.03	6.98
Undisputed trade receivables – considered doubtful	0.01	-	-	0.29	-	65.71	0.80	33.29	0.41	228.98	2.80	328.28	4.01	345.92	4.23	
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-	-	-	15.63	0.20	15.63	0.20	-	-	-
	2.62	0.03	-	0.29	-	65.71	0.80	33.29	0.41	244.61	3.00	346.52	4.24	915.95	11.21	
Less: Allowance for impairment loss												344.17	4.21	384.62	4.70	
												2.35	0.03	531.33	6.51	
Current																
Undisputed trade receivables – considered good	855.71	10.47	309.45	3.79	78.81	0.96	112.71	1.38	27.05	0.33	260.04	3.19	1,643.77	20.12	493.64	6.04
	855.71	10.47	309.45	3.79	78.81	0.96	112.71	1.38	27.05	0.33	260.04	3.19	1,643.77	20.12	493.64	6.04
Less: Allowance for impairment loss												121.45	1.49	30.39	0.37	
												1,522.32	18.63	463.25	5.67	

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

12.4 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Cash on hand	0.43	0.01	0.57	0.01
Balance with Banks in current accounts	176.06	2.13	155.49	1.90
Cheques, drafts on hand	2.04	0.02	-	-
	178.53	2.16	156.06	1.91
Less: Provision for doubtful balances	1.78	0.02	-	-
	176.75	2.14	156.06	1.91

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods

12.5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits with Banks*	-	-	467.39	5.72
Balance with Bank in Unspent CSR account (refer standalone note no.28)	3.43	0.04	7.38	0.09
Balances held in the bank on behalf of customers	103.84	1.25	47.21	0.58
	107.27	1.29	521.98	6.39

* Represents the investment made out of the surplus from the proceeds of Preferential Issue 2022, temporarily parked, pending utilization towards the objects of the issue and interest accrued thereon.

12.6 OTHER FINANCIAL ASSETS

Unsecured, considered good				
Non-current				
Unbilled licenses revenue	69.73	0.84	570.03	6.98
Security deposit	45.63	0.55	48.62	0.59
Employee advances	2.07	0.03	2.44	0.03
Fixed deposits with banks (maturity of 12 months and above)	4.37	0.05	4.37	0.05
Unsecured, considered doubtful				
Unbilled licenses revenue	597.92	7.21	345.92	4.23
	719.72	8.68	971.38	11.88
Less: Allowance for impairment loss	650.39	7.84	384.62	4.70
	69.33	0.84	586.76	7.18
Current				
Unbilled licenses revenue	268.00	3.23	493.64	6.04
Security deposit	12.04	0.15	13.80	0.17
Employee advances	13.95	0.17	38.74	0.47
Government grant receivable	-	-	7.06	0.09
Bank deposits held as margin money	4.23	0.05	4.26	0.05
Balance with Banks in share issue accounts	0.19	-	0.09	-
	298.41	3.60	557.59	6.82
Less: Allowance for impairment loss	95.14	1.15	30.39	0.37
	203.27	2.45	527.20	6.45

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

13. TAXES

(a) Deferred tax (asset) / liability*

Rs. Mln.

Nature of (asset) / liability	Balance Sheet as at		Statement of profit and loss & OCI	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act, 1961	986.82	938.00	48.82	143.54
Tax impact on unutilized carry forward losses	(853.32)	(692.59)	(160.73)	(330.90)
Tax effect of provision for gratuity	(3.81)	(5.14)	1.33	0.88
Tax effect of provision for compensated absences	(35.24)	(32.04)	(3.20)	(2.54)
Tax effect of provision for bad and doubtful debts / advances	(195.86)	(123.12)	(72.74)	(51.29)
Tax impact on foreign exchange differences	2.32	2.74	(0.42)	2.77
Tax impact on all other items	(176.44)	(143.59)	(32.85)	(30.17)
Tax impact on remeasurement gains / (losses) on defined benefit obligations (under OCI)	(0.62)	1.42	(2.04)	(3.03)
Impact of foreign exchange on conversion of overseas entities	-	-	0.62	8.21
Deferred tax (asset) / liability (net)	(276.15)	(54.32)		
Deferred tax (income) / expense (net)			(221.21)	(262.53)

* To the extent considered by the Group. Deferred tax assets have not been considered by the subsidiaries other than USA, South Africa, Philippines and US Defense subsidiaries (PY USA and Philippines), since it was not probable that sufficient future taxable profits will be available to adjust the accumulated losses.

(b) Reconciliation of deferred tax (asset) / liability (including MAT credit)

Rs. Mln.

Particulars	Balance Sheet as at	
	March 31, 2024	March 31, 2023
i) Deferred tax (asset) / liability		
Opening balance	(54.32)	216.42
Deferred tax (income) / expense during the year recognized in statement of profit and loss	(219.17)	(259.50)
Deferred tax (income) / expense during the year recognized in OCI	(2.04)	(3.03)
Impact of foreign exchange on conversion of overseas entities	(0.62)	(8.21)
Closing balance	(276.15)	(54.32)
ii) MAT credit		
Opening balance	(683.61)	(685.25)
MAT credit for the current / previous year(s) including rounding off	1.50	1.64
Closing balance	(682.11)	(683.61)
iii) Provision for MAT credit *		
Opening balance	519.19	437.80
Provision for the current / previous year(s)	162.92	81.39
Closing balance	682.11	519.19
Total deferred tax (asset) / liability (i + ii + iii)	(276.15)	(218.74)
<i>In USD Mln.</i>	<i>(3.33)</i>	<i>(2.68)</i>

* Represents provision for MAT credit created by the Parent Company, by utilization of foreign WHT for the discharge of MAT liability, which is denied by virtue of insertion of proviso to sub section 2A of section 115JAA of the Income Tax Act, 1961 and had filed a Writ petition challenging the said proviso in The Honorable High Court of Madras and provided for un-utilizable MAT credit. The Parent Company will continue to make provision for such MAT credit availed, until disposal of the case.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

13. Taxes (Contd.)

(c) Components of tax expenses

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
	Rs. Mln.	Rs. Mln.
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	34.21	39.95
Deferred tax		
Relating to the origination and reversal of temporary differences	(219.17)	(259.50)
MAT credit for the current / previous year(s)	1.50	-
Provision for MAT credit (refer note no.13(b)(iii) above)	162.92	81.39
Total tax (income) / expense reported in statement of profit and loss	(20.54)	(138.16)
ii) Other comprehensive income (OCI)		
Deferred tax impact on remeasurement gains / (losses) on defined benefit obligations	(2.04)	(3.03)
Total tax (income) / expense	(2.04)	(3.03)
iii) Total tax (income) / expense reported in the total comprehensive income	(22.58)	(141.19)

(d) A reconciliation of the tax provision to the amount computed by applying the statutory Income Tax rate to the income before taxes is summarized below:

Accounting profit / (loss) before tax	(2,437.85)	(2,206.91)
Less: Adjustment from carry forward losses / non-taxable loss	(1,270.80)	(1,252.13)
Profit / (loss) considered for taxation	(1,167.05)	(954.78)
Corporate tax rate %	29.12%	29.12%
Computed tax expense / (income)	(339.84)	(278.03)
Increase / (reduction) in taxes on account of:		
MAT on accounting profit before tax & USA State taxes	5.98	4.38
Tax adjustments of earlier years	(7.05)	-
Non-deductible expenses	(4.17)	42.22
Branch tax for which no credit availed	2.68	3.21
Tax on non-taxable income for Indian tax purposes / impact due to differential tax rates from India	376.61	268.17
	34.21	39.95
Deferred tax (income) / expense recognition during the year	(219.17)	(259.50)
MAT credit for the current / previous year(s)	1.50	-
Provision for MAT credit (refer note no.13(b)(iii) above)	162.92	81.39
Tax (income) / expense reported in the statement of profit and loss	(20.54)	(138.16)
Tax (income) / expense reported in the other comprehensive income	(2.04)	(3.03)
<i>In USD Mln.</i>		
	<i>P&L</i>	<i>(0.25)</i>
	<i>OCI</i>	<i>(0.02)</i>

(e) Effective tax rate

The applicable Indian statutory tax rate for both the years ended March 31, 2024 and March 31, 2023 is 29.12%.		
Profit / (loss) for the year before tax	(2,437.85)	(2,206.91)
Income Tax	(20.54)	(138.16)
Effective tax rate	0.84%	6.26%

Effective tax rate is generally influenced by various factors, including differential tax rates, non-deductible expenses, un-utilizable MAT credit(s), exempt non-operating income, overseas taxes, tax reversals and provisions pertaining to prior periods.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

14. OTHER ASSETS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Non-current				
Unsecured, considered good				
Prepaid expenses	4.62	0.06	0.79	0.01
Advance to suppliers and service providers #	71.77	0.86	72.57	0.88
Unsecured, considered doubtful				
Unbilled services revenue	277.80	3.35	108.02	1.32
	354.19	4.27	181.38	2.21
Less: Allowance for impairment loss	348.89	4.21	180.34	2.20
	5.30	0.06	1.04	0.01
Current				
Unsecured, considered good				
Prepaid expenses	146.72	1.77	117.94	1.45
Advance to suppliers & service providers #	59.57	0.72	6.74	0.08
Unbilled services revenue	141.97	1.71	1,071.15	13.11
Statutory advances	80.87	0.98	185.60	2.27
	429.13	5.18	1,381.43	16.91
Less: Allowance for impairment loss	35.43	0.43	71.04	0.87
	393.70	4.75	1,310.39	16.04

Advance to suppliers and service providers are given in the normal course of business and adjusted against subsequent supplies / services.

15. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Authorized share capital				
50,000,000 (as at March 31, 2023 - 50,000,000) Equity Shares of Rs. 10 each	500.00		500.00	
Issued and subscribed capital				
35,768,899 (as at March 31, 2023 - 35,576,934) Equity Shares of Rs.10 each	357.69	6.23	355.77	6.23
Paid-up capital - fully paid-up				
35,419,721 (as at March 31, 2023 - 35,227,756) Equity Shares of Rs.10 each (includes value of forfeited shares of Rs.353,890 (PY Rs.353,890) for 349,178 shares)	354.55	6.64	352.63	6.62
	354.55	6.64	352.63	6.62

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

15.1 The reconciliation of share capital for the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
At the beginning of the year	352.63	6.62	308.49	6.08
Allotment under employee stock option schemes	1.92	0.02	0.34	-
Allotment under Preferential Issue 2022	-	-	43.80	0.54
At the end of the year	354.55	6.64	352.63	6.62

Particulars	FY 2023-24	FY 2022-23
Movement in number of shares during the year		
At the beginning of the year	35,227,756	30,813,921
Allotment under employee stock option schemes	191,965	34,274
Allotment under Preferential Issue 2022	-	4,379,561
At the end of the year	35,419,721	35,227,756

15.2 Terms / rights attached to class of shares

The Company has only one class of share referred to as equity shares having a par value of Rs.10 each. The holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Money received against share warrants

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Money received against share warrants	100.00	1.22	100.00	1.22
	100.00	1.22	100.00	1.22

Money received against share warrants represents amounts received towards warrants which entitles the warrant holder the option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10 each.

The Company has on February 01, 2023 allotted to Mr. P R Venketrama Raja 1,459,854 warrants at a price of Rs.274 (including premium of Rs.264) each, entitling him for subscription of equivalent number of equity shares of Rs.10 each under Regulation 28(1) of the SEBI (LODR) Regulations, 2015, upon receipt of Rs.100 Mln. being 25% of the total price of the warrants. The warrants shall be convertible into equity shares, in one or more tranches, within a period of 18 months from the date of allotment, failing which the amount paid shall be forfeited and all the rights attached to the said warrants shall lapse automatically.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

16. OTHER EQUITY

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Securities premium	7,905.27	135.91	7,842.33	135.15
Employee stock options outstanding	470.40	6.73	388.80	5.73
Retained earnings	(5,989.29)	(95.90)	(3,565.00)	(66.43)
Currency translation reserve	287.70	(16.89)	227.66	(16.89)
Fair value gain / (loss) on equity instruments through OCI	(15.00)	(0.19)	(15.00)	(0.19)
Money received against share warrants (refer note no.15.3)	100.00	1.22	100.00	1.22
Share application money pending allotment	0.06	-	-	-
Total equity attributable to the equity holders of the Company	2,759.14	30.88	4,978.79	58.59
Non-controlling interests	36.67	0.53	34.06	0.50
Total other equity	2,795.81	31.41	5,012.85	59.09

Refer consolidated statement of changes in equity for movement.

Nature and purpose of reserves

Securities premium

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued, to the extent they are exercised.

Employee stock options outstanding

The share options outstanding account represents the grant date fair value of outstanding options issued to employees under various employees stock option schemes of the Company.

Retained earnings

Represents the portion of the net income / (loss) of the Group.

Currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e., Currency Units) are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve will be reclassified to profit or loss on the disposal of the foreign operation.

Fair value gain / (loss) on equity instruments through OCI

The Group has opted to recognize the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Group transfers amounts from this reserve to retained earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are de-recognized.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

17. FINANCIAL LIABILITIES

17.1 BORROWINGS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Current				
Loans from Banks, secured				
IDBI Bank Limited	-	-	80.00	0.97
Term loans from banks, unsecured				
Axis Bank Limited	-	-	150.00	1.84
Kotak Mahindra Bank Limited	-	-	150.00	1.84
	-	-	380.00	4.65

The Group had availed borrowing facilities from Axis Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank Limited, Mashreq Bank PSC and HSBC Bank Middle East. The Group had repaid the entire outstanding borrowings during the year. (Previous year availed borrowings from Axis Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank Limited, ICICI Bank Limited, HDFC Bank Limited, Mashreq Bank PSC and HSBC Bank Middle East, and had repayments during the previous year). The borrowings were in the form of Term Loan, Packing Credit in Foreign Currency (PCFC), Working Capital Demand Loan (WCDL), Over Draft and Cash Credit. The interest rates on the borrowings during the year from Banks, ranged from 5.13% p.a. to 9.40% p.a. (PY 1.28% p.a. to 9.20% p.a.).

1. Loans from Banks, secured
 - a. Borrowing facilities from Axis Bank Limited, IDBI Bank Limited and Kotak Mahindra Bank Limited are secured by pari-passu first charge on the current assets, both present and future of the Company (Borrowing facilities for the previous year from Axis Bank Limited were secured by pari-passu first charge on the current assets, both present and future of the Company. Borrowing facilities for the previous year from IDBI Bank Limited were secured by pari-passu first charge on the receivables and unbilled revenue, both present and future of the Company).
 - b. Borrowing facilities from Mashreq Bank PSC is secured by Standby Letter of Credit (SBLC) issued by Axis Bank Limited, from the secured working capital limits of the Company as mentioned above.
 - c. With respect to the borrowings from banks on the basis of security, the periodical returns / statements filed by the Company with banks are in agreement with the books of accounts.
2. The maturity profile of the Term loans from Banks, unsecured during the previous year.

Name of the Bank	No. of quarterly instalments (starting after 12 months from the date of first disbursement)	Interest rate linked to	Rate of interest	Rs. Mln.	USD Mln.	Drawn on
Axis Bank Limited	12	12 months MCLR	8.75%	150.00	1.84	December 30, 2022
Kotak Mahindra Bank Limited	8	Repo rate	8.85% to 9.10%	150.00	1.84	January 25, 2023

The above Term Loans have been prepaid on April 03, 2023 without any prepayment charges. Accordingly, the entire loans were considered as current.

17.2 LEASES

The Group has adopted Ind AS 116 "Leases" with the date of initial application being April 01, 2019, using the modified retrospective approach. The Group has lease contracts for various items of Building, Land and Office equipments used in its operations. There are several lease contracts that include extension and termination options and variable lease payments.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

17.2 Leases (Contd.)

Disclosures in respect of Leases are given below:

a) The changes in the carrying value of Right-of-use assets during the year ended March 31, 2024 are as follows:

Particulars	Building		Land		Office equipments		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
As at April 01, 2023	617.45	7.55	-	-	1.37	0.02	618.82	7.57
Additions during the year	98.51	1.19	5.25	0.06	1.43	0.02	105.19	1.27
Deletions during the year - net	(15.56)	(0.28)	-	-	-	-	(15.56)	(0.28)
Depreciation charge for the year	(150.61)	(1.84)	(4.82)	(0.06)	(1.48)	(0.02)	(156.91)	(1.92)
Foreign exchange (gain) / loss	(0.77)	-	-	-	-	-	(0.77)	-
As at March 31, 2024	549.02	6.62	0.43	-	1.32	0.02	550.77	6.64

b) The changes in the carrying value of Right-of-use assets during the year ended March 31, 2023 are as follows:

Particulars	Building		Land		Office equipments		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
As at April 01, 2022	491.21	6.53	4.75	0.06	0.66	-	496.62	6.59
Additions during the year	288.38	3.53	-	-	2.24	0.03	290.62	3.56
Deletions during the year - net	(22.20)	(0.27)	-	-	-	-	(22.20)	(0.27)
Depreciation charge for the year	(143.12)	(1.80)	(4.75)	(0.06)	(1.53)	(0.02)	(149.40)	(1.88)
Foreign exchange (gain) / loss	3.18	(0.44)	-	-	-	0.01	3.18	(0.43)
As at March 31, 2023	617.45	7.55	-	-	1.37	0.02	618.82	7.57

c) The movement in lease liabilities during the year ended March 31, 2024 are as follows:

Particulars	Building		Land		Office equipments		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
As at April 01, 2023	682.73	8.36	-	-	1.38	0.02	684.11	8.38
Additions during the year	98.51	1.19	5.25	0.06	1.43	0.02	105.19	1.27
Deletions during the year	(16.54)	(0.29)	-	-	-	-	(16.54)	(0.29)
Interest expense	52.98	0.65	0.26	-	0.06	-	53.30	0.65
Lease payments	(191.81)	(2.33)	(5.05)	(0.06)	(1.53)	(0.02)	(198.39)	(2.41)
Foreign exchange (gain) / loss	(0.67)	(0.05)	-	0.01	0.01	-	(0.66)	(0.04)
As at March 31, 2024	625.20	7.53	0.46	0.01	1.35	0.02	627.01	7.56

d) The movement in lease liabilities during the year ended March 31, 2023 are as follows:

Particulars	Building		Land		Office equipments		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
As at April 01, 2022	549.32	7.28	5.94	0.09	0.66	0.01	555.92	7.38
Additions during the year	288.33	3.53	-	-	2.23	0.03	290.56	3.56
Deletions during the year	(28.17)	(0.34)	-	-	-	-	(28.17)	(0.34)
Interest expense	53.53	0.68	0.27	-	0.03	-	53.83	0.68
Lease payments	(183.37)	(2.30)	(6.21)	(0.08)	(1.54)	(0.02)	(191.12)	(2.40)
Foreign exchange (gain) / loss	3.09	(0.49)	-	(0.01)	-	-	3.09	(0.50)
As at March 31, 2023	682.73	8.36	-	-	1.38	0.02	684.11	8.38

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

17.2 Leases (Contd.)

e) The breakup of current and non-current lease liabilities are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Current	136.58	1.65	134.43	1.65
Non-current	490.43	5.91	549.68	6.73
	627.01	7.56	684.11	8.38

f) The following are the amounts recognized in profit and loss account for the year ended:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Depreciation expense of right-of-use assets	156.91	1.92	149.40	1.88
Interest expense on lease liabilities	53.30	0.65	53.83	0.68
Expense relating to short term leases (included in Other expenses)	17.92	0.22	18.69	0.23
Variable lease payments (included in Other expenses)	5.20	0.06	7.23	0.09
Rent concessions	(1.17)	(0.01)	(1.92)	(0.02)
(Gain) / loss on lease termination	(0.98)	(0.01)	(5.98)	(0.08)
Total amount recognized in profit and loss account	231.18	2.83	221.25	2.78

Note: The Group has applied the practical expedient to all rent concessions that meet the conditions.

g) The Group had total cash outflows (lease payments for ROU, variable lease, short term lease, net of rent concession) for leases during the year ended March 31, 2024 of Rs. 220.34 Mln. USD 2.68 Mln. (PY Rs. 215.12 Mln. USD 2.70 Mln.).

h) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Less than 1 year	182.13	2.20	184.42	2.26
1 to 5 years	505.90	6.10	501.87	6.14
More than 5 years	81.29	0.98	177.67	2.17
	769.32	9.28	863.96	10.57

i) The Group has entered into a lease contract, which will commence from a future period and hence the same is not considered in the measurement of lease liability. The value of future cash flows expected on an undiscounted basis during the term of the lease contract is Rs. 29.28 Mln. USD 0.35 Mln. as at March 31, 2024 (PY Nil).

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

17.3 TRADE PAYABLES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Non-current				
Total outstanding dues of creditors, other than micro and small enterprises	5.41	0.07	33.38	0.41
	5.41	0.07	33.38	0.41
Current				
Total outstanding dues of micro and small enterprises	10.85	0.13	20.16	0.25
	10.85	0.13	20.16	0.25
Total outstanding dues of creditors, other than micro and small enterprises				
Trade payables - other related parties (refer note no.27)	2.08	0.02	0.78	0.01
Trade payables - others	707.66	8.53	670.98	8.21
	709.74	8.55	671.76	8.22

Trade payables are non-interest bearing and are normally settled within 30 to 60 days.

The disclosure with respect of dues to micro and small enterprises (MSME) are presented in Standalone Financial Statements and not repeated.

Trade payables ageing schedule

Particulars	As at March 31, 2024													
	Outstanding for following periods from due date of payment												Total	
	Unbilled		Not due		Less than 1 year		1-2 years		2-3 years		More than 3 years			
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Non-current														
MSME	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	5.41	0.07	-	-	-	-	-	-	-	-	-	-	5.41	0.07
	5.41	0.07	-	-	-	-	-	-	-	-	-	-	5.41	0.07
Current														
MSME	-	-	10.85	0.13	-	-	-	-	-	-	-	-	10.85	0.13
Others	366.71	4.42	272.28	3.28	55.11	0.66	15.64	0.19	-	-	-	-	709.74	8.55
	366.71	4.42	283.13	3.41	55.11	0.66	15.64	0.19	-	-	-	-	720.59	8.68

Particulars	As at March 31, 2023													
	Outstanding for following periods from due date of payment												Total	
	Unbilled		Not due		Less than 1 year		1-2 years		2-3 years		More than 3 years			
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Non-current														
Others	33.38	0.41	-	-	-	-	-	-	-	-	-	-	33.38	0.41
	33.38	0.41	-	-	-	-	-	-	-	-	-	-	33.38	0.41
Current														
MSME	-	-	20.16	0.25	-	-	-	-	-	-	-	-	20.16	0.25
Others	381.12	4.66	200.27	2.45	90.37	1.11	-	-	-	-	-	-	671.76	8.22
	381.12	4.66	220.43	2.70	90.37	1.11	-	-	-	-	-	-	691.92	8.47

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

17.4 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Current				
Capital and other creditors	6.38	0.08	1.22	0.01
Rental advances	0.30	-	0.30	0.01
Employee welfare payables	2.54	0.03	2.54	0.03
Customer claims payables	139.40	1.68	-	-
	148.62	1.79	4.06	0.05

18. PROVISIONS

Non-current				
Provisions for customer contract obligations {refer note no.18.1}	213.68	2.58	-	-
Provision for leave encashment and other retirals (refer note no.18.2)	159.39	1.92	214.58	2.62
Provision for gratuity (refer note no.23.1)	45.99	0.56	37.36	0.46
	419.06	5.06	251.94	3.08
Current				
Provisions for customer contract obligations (refer note no.18.1)	91.58	1.10	159.27	1.95
Provision for leave encashment and other retirals (refer note no.18.2)	67.83	0.82	21.82	0.27
Provision for gratuity (refer note no.23.1)	2.69	0.03	15.32	0.18
	162.10	1.95	196.41	2.40

18.1 Movement in Provisions for customer contract obligations

Balance at the beginning	159.27	1.95	122.27	1.62
Provision recognized / (reversed)	145.82	1.77	37.00	0.46
Translation differences	0.17	(0.04)	-	(0.13)
Balance at the end	305.26	3.68	159.27	1.95

18.2 Compensated absences

The Group provides for expenses towards compensated absences (leave encashment) provided to its employees.

The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

19. OTHER LIABILITIES

Non-current				
Unearned revenue	3.02	0.04	6.41	0.08
Advance from customers	9.25	0.11	9.06	0.11
	12.27	0.15	15.47	0.19
Current				
Unearned revenue	1,118.89	13.49	1,273.93	15.59
Statutory dues payable	147.87	1.78	159.92	1.96
Expenses payable	129.30	1.56	221.76	2.71
Advance from customers	1.53	0.02	3.56	0.04
	1,397.59	16.85	1,659.17	20.30

Advance from customers are received in the normal course of business and adjusted against subsequent supplies / services.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

20. REVENUE FROM OPERATIONS - DISAGGREGATED

20.1 Product wise revenue

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Revenue from software products	2,348.55	28.55	2,088.05	26.21
Revenue from software services	2,868.37	34.87	2,795.88	35.10
Revenue from resale of software and hardware materials	41.39	0.50	38.30	0.48
	5,258.31	63.92	4,922.23	61.79

20.2 Geography wise revenue

Americas	1,341.58	16.31	1,234.77	15.50
Europe	121.96	1.48	240.23	3.02
APAC	2,010.17	24.44	1,764.67	22.15
India	1,253.70	15.24	1,077.82	13.53
Middle East and Africa	530.90	6.45	604.73	7.59
	5,258.31	63.92	4,922.23	61.79

20.3 Business unit wise revenue

ERP	1,398.46	17.00	1,364.74	17.13
HRP	2,125.56	25.84	2,033.36	25.53
Aviation	1,734.29	21.08	1,524.13	19.13
	5,258.31	63.92	4,922.23	61.79

20.4 Ind AS 115 – Revenue from contract with customers

The Company derives revenue from Software Solutions & Services. The accounting policies are mentioned in note no.6.a.

1. 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 Group 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 Ind AS 115, the Group has not disclosed the following:

- a) the remaining performance obligation 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 obligation in respect of other contracts, since those performance obligations have an original expected duration of one year or less in most of the cases.
2. During the year ended March 31, the Company recognized revenue of Rs. 1,122.30 Mln. USD 13.53 Mln. (PY Rs.713.33 Mln. USD 8.96 Mln.) arising from opening unearned revenue of Rs. 1,280.34 Mln. USD 15.67 Mln. (Rs.852.14 Mln. USD 11.31 Mln.) as at April 01.
 3. During the year ended March 31, the Group recognized revenue of Nil (PY Nil) arising from advance from customers out of the opening advances of Rs. 12.62 Mln. USD 0.15 Mln. (PY Rs. 11.76 Mln. USD 0.76 Mln.) as at April 01.
 4. The percentage of revenue from software services from fixed-price contracts was 73% and 73% for each of the year ended March 31, 2024 and March 31, 2023, respectively.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

20.4 Ind AS 115 – Revenue from contract with customers (Contd.)

5. Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Contract price	5,258.31	63.92	4,922.23	61.79
Reduction towards variable consideration components	-	-	-	-
Revenue recognized	5,258.31	63.92	4,922.23	61.79

6. Changes in contract assets is as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Balance at the beginning of the year	1,000.11	12.24	1,145.67	15.21
Invoices raised during the year	(828.26)	(10.07)	(879.98)	(11.07)
Revenue recognized during the year	267.26	3.26	769.44	9.72
Provision / write off during the year	(314.13)	(3.85)	(88.31)	(1.12)
Translation exchange difference	(18.44)	(0.30)	53.29	(0.50)
Balance at the end of the year	106.54	1.28	1,000.11	12.24

7. Changes in contract liabilities is as follows:

Balance at the beginning of the year	536.24	6.56	239.90	3.19
Revenue recognised during the year	(1,028.83)	(12.51)	(710.17)	(8.91)
Invoices raised during the year	916.48	11.14	990.49	12.43
Provision / write back during the year	31.87	0.39	-	-
Translation exchange difference	2.17	(0.06)	16.02	(0.15)
Balance at the end of the year	457.93	5.52	536.24	6.56

21. FINANCE INCOME

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Interest income - other than related parties	18.30	0.22	44.14	0.55
	18.30	0.22	44.14	0.55

22. OTHER INCOME

Government grant	14.35	0.18	-	-
Profit on sale of property, plant and equipments	0.37	-	0.75	0.01
Gain on termination of leased assets	0.98	0.01	6.00	0.08
Other income	6.62	0.08	4.20	0.05
	22.32	0.27	10.95	0.14

Government grant includes the grant from Employee Retention Credit, USA to encourage businesses to retain their employees during the COVID-19 period, by way of refunding the employer's social security fund.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

23. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Salaries, wages and bonus	2,634.46	32.02	2,914.04	36.58
Share based payments	132.17	1.61	200.05	2.51
Contribution to provident and other funds	101.68	1.24	112.15	1.41
Gratuity and other retirals	98.25	1.19	100.78	1.26
Staff welfare	101.62	1.24	88.55	1.11
	3,068.18	37.30	3,415.57	42.87

Note:

Total employee benefits expense is Rs. 3,071.78 Mln. USD 37.34 Mln. (Rs. 3,419.29 Mln. USD 42.92 Mln.), including the sitting fees Rs. 2.28 Mln. USD 0.03 Mln. (Rs. 2.40 Mln. USD 0.03 Mln.) to the Directors & professional fees Rs. 1.32 Mln. USD 0.02 Mln. (Rs. 1.32 Mln. USD 0.02 Mln.) to the Whole Time Director, (both included under "Other expenses"). For the details of remuneration and sitting fee, refer note no.27.

23.1 The defined benefit plan (Gratuity) details in respect of the Company is provided for in the Standalone Financial Statements note no.23.1. Obligations in respect of other subsidiaries wherever applicable under the local laws are accrued at actual and they are unfunded. Group has represented these values in the carrying amount as appearing in their Balance Sheet as there is no requirement for actuarial valuation in the respective countries.

24. FINANCE COSTS

Interest on loans	7.21	0.09	40.85	0.51
Interest on leased assets	53.30	0.65	53.83	0.68
Other finance costs on loans	1.72	0.02	4.93	0.06
	62.23	0.76	99.61	1.25

25. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE

Depreciation on property, plant and equipment	83.50	1.01	89.29	1.12
Depreciation on leased assets	156.91	1.91	149.40	1.88
Amortization of intangible assets	604.50	7.35	562.64	7.06
Impairment of intangible assets	27.25	0.33	6.91	0.09
	872.16	10.60	808.24	10.15

26. OTHER EXPENSES

Advertisement and sales promotion	238.48	2.90	245.74	3.08
Bank charges	16.10	0.19	12.61	0.16
Bad debts / provision for doubtful debts & advances, net	1,288.92	15.67	639.20	8.02
Consultancy charges	152.88	1.86	219.68	2.76
Corporate social responsibility expenditure	-	-	6.03	0.08
Customer claims	145.77	1.77	-	-
Foreign exchange fluctuation, net	121.83	1.48	33.14	0.42
Insurance	40.59	0.49	31.42	0.39
Loss on sale of property, plant and equipment	1.02	0.01	1.37	0.02
Loss on termination of leased assets	-	-	0.02	-
Office maintenance	33.52	0.41	28.02	0.35
Outsourcing costs	418.24	5.08	479.99	6.03
Provisions for customer contract obligations	145.82	1.77	-	-
Power & fuel	39.10	0.48	29.99	0.38
Printing & stationery	5.02	0.06	3.63	0.05
Postage, telephone and communication	44.26	0.54	59.56	0.75

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

26. Other Expenses (Contd.)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Rent	428.94	5.21	378.80	4.75
Repairs - building	-	-	8.57	0.11
Repairs - plant and machinery	83.05	1.01	61.59	0.77
Repairs - others	10.44	0.13	10.13	0.13
Rates and taxes	180.37	2.19	145.25	1.82
Sales commission and other selling expenses	27.68	0.34	33.76	0.42
Software subscription and maintenance	5.31	0.06	34.78	0.44
Travelling and conveyance	244.28	2.97	283.02	3.55
Miscellaneous expenses	30.03	0.37	100.76	1.26
	3,701.65	44.99	2,847.06	35.74

26.1 Movement in provision for doubtful debts & advances

Particulars	As At March 31, 2024		As At March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Balance at the beginning	1,132.01	13.84	717.82	9.53
Provisions for the year [#]	1,288.92	15.67	639.20	8.02
Translation differences	1.43	(0.24)	43.37	(0.34)
Provision utilized for write off	(592.10)	(7.20)	(268.38)	(3.37)
Balance at the end	1,830.26	22.07	1,132.01	13.84

Expenses recognized in statement of profit and loss

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Provisions for the year	1,288.92	15.67	639.20	8.02
Provision utilized for write off reversed to P&L	(592.10)	(7.20)	(268.38)	(3.37)
Amounts written off	592.10	7.20	268.38	3.37
Bad debts / provision for doubtful debts & advances, net	1,288.92	15.67	639.20	8.02

During the year, the Group performed a comprehensive strategic review of all its business units, considering various factors such as project viability, aging, the decision to exit unprofitable solutions, customer descoping, and country-specific risks. Following this assessment, the Group created a one-time provision globally, for Trade Receivables and Unbilled Revenue. In addition, the Group has also created provision using the Expected Credit Loss method (ECL) in accordance with the established policy, taking into account existing provisions.

27. RELATED PARTY TRANSACTIONS

Information on names of related parties and nature of relationship as required by Ind AS 24 on related party disclosures are given below:

a. Key managerial personnel including those under Companies Act, 2013 (KMP)

1.	Mr. P R Venketrama Raja, Chairman	8.	Justice P P S Janarthana Raja (Retd.), Non-Executive, Independent Director
2.	Mr. P V Abinav Ramasubramaniam Raja, Whole Time Director	9.	Dr. M S Krishnan, Non-Executive, Independent Director
3.	Mr. M M Venkatachalam, Non-Executive, Independent Director	10.	Dr. Aravind Srinivasan, Non-Executive, Independent Director
4.	Mr. A V Dharmakrishnan, Non-Executive, Non-Independent Director	11.	Mr. Subramanian Sundaresan, Chief Executive Officer
5.	Mr. R S Agarwal, Non-Executive, Independent Director	12.	Mr. R Ravi Kula Chandran, Chief Financial Officer
6.	Mrs. Soundara Kumar, Non-Executive, Independent Director		
7.	Mr. Sankar Krishnan, Non-Executive, Non-Independent Director	13.	Mr. N E Vijayaraghavan, Company Secretary

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

27. Related Party Transactions (Contd.)

b. Relatives of KMP		
1.	Mr. P R Venketrama Raja, Father of Mr. P V Abinav Ramasubramaniam Raja	4. Mrs. R Sudarsanam, Mother of Mr. P R Venketrama Raja
2.	Mrs. P V Nirmala, Mother of Mr. P V Abinav Ramasubramaniam Raja	5. Mrs. S Sarada Deepa, Sister of Mr. P R Venketrama Raja
3.	Mrs. B Srisandhya Raju, Sister of Mr. P V Abinav Ramasubramaniam Raja	6. Mrs. R Nalina Ramalakshmi, Sister of Mr. P R Venketrama Raja
c. Employee benefit funds where control exists		
1.	Ramco Systems Limited employees group gratuity scheme	
2.	Ramco Systems Limited employees superannuation scheme	
d. Enterprises over which KMP / relatives of KMP exercise significant influence		
1.	Rajapalayam Mills Limited	18. JKR Enterprises Limited
2.	The Ramco Cements Limited	19. Gowrishankar Screws
3.	Ramco Industries Limited	20. P A C R Sethurammam Charity Trust
4.	The Ramaraju Surgical Cotton Mills Limited	21. P A C R Sethurammam Charities
5.	Sri Vishnu Shankar Mills Limited	22. Rajapalayam Spinners Limited
6.	Sandhya Spinning Mill Limited	23. Ramco Industrial and Technology Services Limited
7.	Thanjavur Spinning Mill Limited	24. Madurai Trans Carrier Limited
8.	Sri Harini Textiles Limited	25. Ramco Welfare Trust
9.	Swarna Boomi Estate	26. Lynks Logistics Limited
10.	Thanga Vilas Estate	27. Ramco Management Private Limited
11.	Rajapalayam Textile Limited	28. Raja Charity Trust
12.	Shri Harini Media Limited	29. P A C Ramasamy Raja Centenary Trust
13.	Sudarsanam Estate	30. P A C Ramasamy Raja Education Charity Trust
14.	Shri Abhinava Vidyatheertha Seva Trust	31. P A C Ramasamy Raja Polytechnic College
15.	Smt. Lingammal Ramaraju Shastra Prathista Trust	32. P A C R Industrial Training Center
16.	The Ramco Cements Limited Educational and Charitable Trust	33. Smt. Sethu Ramammal Vidya Mandir English Medium High School
17.	Gowrihouse Metal Works LLP	34. Ramasubrahmaneya Rajha Ramco Foundation
e. Subsidiary companies		
1.	Ramco Systems Corporation, USA	11. Ramco Systems (Shanghai) Co. Ltd., China
2.	Ramco Systems Ltd., Switzerland	12. Ramco System Vietnam Company Limited, Vietnam
3.	Ramco Systems Pte. Ltd., Singapore	13. PT Ramco Systems Indonesia, Indonesia
4.	Ramco Systems Sdn. Bhd., Malaysia	14. Ramco Systems Macau Limited, Macao (100% subsidiary of Ramco Systems Pte. Ltd., Singapore)
5.	RSL Enterprise Solutions (Pty) Ltd., South Africa	15. Ramco Software Japan Limited, Japan
6.	Ramco Systems Canada Inc., Canada (100% subsidiary of Ramco Systems Corporation, USA)	16. Ramco Systems Defense and Security Incorporated, USA (100% subsidiary of Ramco Systems Corporation, USA)
7.	Ramco Systems FZ-LLC, Dubai	17. Ramco Middle East for Information Technology, Saudi Arabia
8.	R S L Software Co. Ltd., Sudan	18. Ramco System LLC, Qatar
9.	Ramco Systems Australia Pty Ltd., Australia	19. Ramco System Korea Company Limited, South Korea
10.	Ramco System Inc., Philippines	
f. Associate		
1.	CityWorks (Pty.) Limited, South Africa	

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

27. Related Party Transactions (Contd.)

The group's transactions with the above related parties are given below:

Particulars	Transaction during the FY 2023-24		Outstanding as at March 31, 2024		Transaction during the FY 2022-23		Outstanding as at March 31, 2023	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Income from sale of goods & services								
The Ramco Cements Limited	112.02	1.36	-	-	107.10	1.34	-	-
Ramco Industries Limited	8.18	0.10	-	-	8.19	0.10	-	-
Rajapalayam Mills Limited	4.72	0.06	-	-	3.88	0.05	-	-
Rajapalayam Textile Limited	0.42	0.01	-	-	0.43	0.01	-	-
Sri Vishnu Shankar Mills Limited	1.72	0.02	-	-	1.62	0.02	-	-
Sandhya Spinning Mill Limited	1.54	0.02	-	-	1.33	0.02	-	-
The Ramaraju Surgical Cotton Mills Limited	2.06	0.03	-	-	2.15	0.03	-	-
Sudarsanam Estate	0.04	-	-	-	0.04	-	0.02	-
Swarna Bhoomi Estate	0.04	-	-	-	0.04	-	-	-
Thanga Vilas Estate	0.04	-	0.01	-	0.04	-	-	-
Ramco Welfare Trust	0.13	-	-	-	0.13	-	-	-
Smt. Lingammal Ramaraju Shastra Prathista Trust	0.08	-	-	-	0.08	-	-	-
The Ramco Cements Limited Educational and Charitable Trust	0.10	-	-	-	0.10	-	-	-
Gowrihouse Metal Works LLP	0.36	-	-	-	0.45	0.01	0.09	-
P A C R Sethurammal Charity Trust	0.30	-	0.01	-	0.30	-	0.02	-
P A C R Sethurammal Charities	0.13	-	-	-	0.13	-	-	-
Ramco Industrial and Technology Services Limited	7.54	0.09	-	-	1.87	0.02	-	-
Lynks Logistics Limited	-	-	-	-	8.76	0.11	23.29	0.28
P A C Ramasamy Raja Centenary Trust	0.15	-	-	-	0.15	-	0.01	-
P A C Ramasamy Raja Education Charity Trust	0.13	-	-	-	0.13	-	0.01	-
Smt. Sethu Ramammal Vidya Mandir English Medium High School	0.02	-	-	-	0.02	-	-	-
P A C R Industrial Training Center	-	-	-	-	0.02	-	-	-
CityWorks (Pty.) Limited, South Africa	70.93	0.86	10.64	0.13	73.07	0.92	6.08	0.07
Cost of services availed								
Ramco Industrial and Technology Services Limited	80.13	0.97	2.07	0.03	98.25	1.23	0.78	0.01
The Ramco Cements Limited	2.85	0.03	-	-	4.70	0.06	-	-
Ramco Industries Limited	1.37	0.02	-	-	1.32	0.02	-	-
Bank guarantee issued in favour of bankers / customers / vendors of								
i) Ramco Systems FZ-LLC, Dubai	-	-	75.83	0.91	-	-	74.79	0.92
ii) Ramco System Inc., Philippines	4.67	0.06	4.75	0.06	-	-	-	-
iii) Ramco Systems Australia Pty Ltd., Australia	-	-	7.10	0.09	-	-	7.19	0.09
iv) a banker to Ramco Systems Sdn. Bhd., Malaysia	40.21	0.49	40.94	0.49	-	-	-	-
Corporate guarantee issued in favour of customer(s) of								
i) Ramco Systems Australia Pty Ltd., Australia	-	-	-	-	-	-	680.40	8.33

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

27. Related Party Transactions (Contd.)

Particulars	Transaction during the FY 2023-24		Outstanding as at March 31, 2024		Transaction during the FY 2022-23		Outstanding as at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
ii) Ramco Systems FZ-LLC, Dubai	-	-	85.29	1.03	83.22	1.04	84.12	1.03
iii) a customer to Ramco Systems Sdn. Bhd., Malaysia	67.30	0.82	67.95	0.82	-	-	-	-
Counter Guarantee - Corporate Guarantee issued in favour of								
Rajapalayam Mills Limited	122.61	1.49	127.94	1.54	-	-	-	-
Rent expense								
The Ramco Cements Limited	94.43	1.15	-	-	92.99	1.17	-	-
Rajapalayam Mills Limited	0.38	-	-	-	0.07	-	-	-
Sitting fees								
Mr. P R Venketrama Raja	0.15	-	-	-	0.18	-	-	-
Mr. P V Abinav Ramasubramaniam Raja	0.15	-	-	-	0.18	-	-	-
Mr. M M Venkatachalam	0.30	-	-	-	0.36	-	-	-
Mr. A V Dharmakrishnan	0.30	-	-	-	0.33	-	-	-
Mr. R S Agarwal	0.33	-	-	-	0.36	-	-	-
Mrs. Soundara Kumar	0.30	-	-	-	0.30	-	-	-
Mr. Sankar Krishnan	0.30	-	-	-	0.33	-	-	-
Justice P P S Janarthana Raja (Retd.)	0.33	-	-	-	0.36	-	-	-
Dr. M S Krishnan	0.06	-	-	-	-	-	-	-
Dr. Aravind Srinivasan	0.06	-	-	-	-	-	-	-
Subscription for issue of equity shares under preferential issue 2022								
Ramco Industries Limited (refer note no.36)	-	-	-	-	450.00	5.51	-	-
Subscription for issue of warrants convertible into equity shares under preferential issue 2022								
Mr. P R Venketrama Raja (refer note no.36)	-	-	-	-	100.00	1.22	-	-
CSR contribution								
Ramasubrahmaneya Rajha Ramco Foundation	1.10	0.01	-	-	0.50	0.01	-	-
Remuneration								
Mr. P V Abinav Ramasubramaniam Raja	1.32	0.02	-	-	1.32	0.02	-	-
Mr. Subramanian Sundaresan	32.03	0.39	-	-	-	-	-	-
Mr. R Ravi Kula Chandran	10.57	0.13	-	-	8.98	0.11	-	-
Mr. N E Vijayaraghavan	2.47	0.03	-	-	2.49	0.03	-	-
Contributions made								
Ramco Systems Limited employees group gratuity scheme	33.97	0.41	-	-	28.33	0.36	-	-
Ramco Systems Limited employees superannuation scheme	16.47	0.20	-	-	16.41	0.21	-	-

Notes:

- Ramco Systems FZ-LLC, Dubai, Ramco System Inc., Philippines and Ramco Systems Australia Pty Ltd., Australia have assumed obligations in terms of Bank Guarantees issued by their banks to their customers / vendors. However, the said bank guarantees are basis the counter guarantee issued by the banker of Ramco Systems Limited, India and hence no separate disclosures for these subsidiaries are made.
- Subsequent to the sale and transfer of the entire shareholding of Lynks Logistics Limited by its shareholders to Bundl Technologies Private Limited operating under the brand name Swiggy, Lynks Logistics Limited ceased to be a related party, waiver of dues amounting to Rs.23.29 Mln. USD 0.28 Mln. (PY Nil) has been agreed.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)**27. Related Party Transactions (Contd.)**

- c) The above figures include Service Tax / VAT / CST / GST as applicable.
- d) The Transactions with related parties are at arm's length basis. The outstanding balances are unsecured and interest free. The Group has not recorded any impairment of receivables owed by related parties. Payment terms for related party transactions are generally less than 60 days.
- e) Disclosure of Key Management Personnel remuneration in total and for each of the following categories:

Particulars	FY 2023-24		FY 2022-23	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Short – term benefits *	45.97	0.56	14.08	0.18
Long - term benefits **	2.70	0.03	1.10	0.01
	48.67	0.59	15.18	0.19

* It includes bonus, sitting fees, value of perquisites and fixed monthly remuneration in the form of commission (as applicable).

** It includes contribution to Provident fund / other pension funds, Superannuation, National Pension System and accrual of Gratuity.

- f) For details regarding grant of stock options during the year to KMPs, refer Annexure II to the Directors Report - "Disclosure made under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021".

28. DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments by category**As at March 31, 2024**

Sl. no.	Particulars	Rs. Mln.				USD Mln.					
		Amortized cost	FVTPL	FVTOCI	Total carrying amount	Fair value	Amortized cost	FVTPL	FVTOCI	Total carrying amount	Fair value
	Financial assets										
1	Loans	1.03	-	-	1.03	1.03	0.01	-	-	0.01	0.01
2	Investments	-	-	-	-	-	-	-	-	-	-
3	Trade receivables	952.23	-	-	952.23	952.23	11.48	-	-	11.48	11.48
4	Cash & cash equivalents	284.02	-	-	284.02	284.02	3.43	-	-	3.43	3.43
5	Other financial assets	272.60	-	-	272.60	272.60	3.29	-	-	3.29	3.29
		1,509.88	-	-	1,509.88	1,509.88	18.21	-	-	18.21	18.21
	Financial liabilities										
6	Borrowings	-	-	-	-	-	-	-	-	-	-
7	Lease liabilities	627.01	-	-	627.01	627.01	7.56	-	-	7.56	7.56
	Trade payables										
8	Total outstanding dues of micro and small enterprises	10.85	-	-	10.85	10.85	0.13	-	-	0.13	0.13
9	Total outstanding dues of creditors, other than micro and small enterprises	715.15	-	-	715.15	715.15	8.62	-	-	8.62	8.62
10	Other financial liabilities	148.62	-	-	148.62	148.62	1.79	-	-	1.79	1.79
		1,501.63	-	-	1,501.63	1,501.63	18.10	-	-	18.10	18.10

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

28. Disclosure of Fair Value Measurements (Contd.)

As at March 31, 2023

Sl. no.	Particulars	Rs. Mln.				USD Mln.					
		Amortized cost	FVTPL	FVTOCI	Total carrying amount	Fair value	Amortized cost	FVTPL	FVTOCI	Total carrying amount	Fair value
Financial assets											
1	Loans	-	-	-	-	-	-	-	-	-	-
2	Investments*	-	100.31	-	100.31	100.31	-	1.23	-	1.23	1.23
3	Trade receivables	1,524.67	-	-	1,524.67	1,524.67	18.66	-	-	18.66	18.66
4	Cash & cash equivalents	678.04	-	-	678.04	678.04	8.30	-	-	8.30	8.30
5	Other financial assets	1,113.96	-	-	1,113.96	1,113.96	13.63	-	-	13.63	13.63
		3,316.67	100.31	-	3,416.98	3,416.98	40.59	1.23	-	41.82	41.82
Financial liabilities											
6	Borrowings	380.00	-	-	380.00	380.00	4.65	-	-	4.65	4.65
7	Lease liabilities	684.11	-	-	684.11	684.11	8.38	-	-	8.38	8.38
Trade payables											
8	Total outstanding dues of micro and small enterprises	20.16	-	-	20.16	20.16	0.25	-	-	0.25	0.25
9	Total outstanding dues of creditors, other than micro and small enterprises	705.14	-	-	705.14	705.14	8.63	-	-	8.63	8.63
10	Other financial liabilities	4.06	-	-	4.06	4.06	0.05	-	-	0.05	0.05
		1,793.47	-	-	1,793.47	1,793.47	21.96	-	-	21.96	21.96

Note:

- Investment in Mutual Funds Rs. 100.31 Mln. USD 1.23 Mln. measured at fair value (mandatory through FVTPL) by valuation technique using Level 1.
- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2024 and March 31, 2023.

29. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital means the Total equity as per the Consolidated Balance Sheet. The primary objective of the Group's capital management is to maximize the shareholder's wealth.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is Net debt divided by the Total equity.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Borrowings*	-	-	380.00	4.65
Less: Cash and cash equivalents#	-	-	156.06	1.91
Net debt (A)	-	-	223.94	2.74
Equity share capital	354.55	6.64	352.63	6.62
Other equity	2,759.14	30.88	4,978.79	58.59
Total equity (B)	3,113.69	37.52	5,331.42	65.21
Net debt / Equity (A / B)	-	-	4.20%	4.20%

* Though there have been borrowings during the year ended March 31, 2024 the same have been repaid, thus making the borrowings Nil, as at the year end.

not considered, since borrowings were Nil for the year ended March 31, 2024.

In order to achieve the overall objective, the Group's capital management, amongst other things aims to ensure that it meets financial covenants if any, attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest bearing loans / borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

30. CONTINGENT LIABILITIES AND COMMITMENTS

Sl. no.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Contingent liabilities					
1	Bank guarantees issued by the bankers to the Company in favour of:				
	i) Bankers / customers / vendors, to the subsidiaries / overseas branches, as applicable (refer note no.27)	128.62	1.55	81.98	1.01
	ii) Others	6.97	0.08	5.09	0.06
2	Corporate guarantee issued in favour of customers of subsidiaries (refer note no.27)	153.24	1.85	764.52	9.36
3	Counter Guarantee issued in favour of related party, in respect of Corporate Guarantee given to customer of the Subsidiary (refer note no.27)	127.94	1.54	-	-
4	Claims against the Group not acknowledged as debts				
a)	Disputed Tamil Nadu Value Added Tax demand				
	i) Relating to FY 2009-10 to FY 2013-14 and pending before The Honorable High Court of Madras	45.52	0.55	75.86	0.93
	ii) Relating to FY 2014-15 to FY 2017-18 in respect of which no demand notice has been received	26.73	0.32	26.73	0.33
b)	Disputed Value Added Tax demand, pending before The Deputy Commissioner of Sales Tax, Mumbai, FY 2012-13	-	-	0.09	-
c)	Disputed Service Tax demand, pending before The Assistant Commissioner of Service Tax*	1.21	0.01	-	-
d)	Disputed GST demand				
	i) Relating to FY 2017-18 to FY 2019-20 pending before The Additional / Joint Commissioner of GST & Central Excise, Adjudication, Chennai	27.85	0.34	27.85	0.34
	ii) Relating to FY 2020-21 till FY 2023-24 for which no demand notice has been received	20.98	0.25	11.51	0.14
e)	Other claims	314.69	3.79	349.86	4.28
Commitments					
	Estimated amount of contracts remaining to be executed on capital account and not provided for	9.70	0.12	24.37	0.30

*Further to the appeal filed, CESTAT has adjudicated the case by a) set aside the penalty imposed in the Order in Original b) remanded the main issue to the Jurisdictional Assistant Commissioner as to the eligibility of CENVAT credit in the light of documentary evidences produced by us and also in the light of final orders of the CESTAT for the previous period on similar issues.

Note: The Company is engaged in development of software products, which are marketed by the Company and its overseas subsidiaries. The intellectual property rights are held by the Company. There are in-built warranties for performance and support. Claims which may arise out of these are not quantifiable and hence not provided for.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors has constituted a Risk Management committee, with responsibility including, formulation, monitoring and review of risk management policy, identification of risk mitigation measures and establishment of business continuity plan. The Company has already developed and implemented a risk management policy. The risk management systems are reviewed periodically. The Internal Audit reviews the risk management controls & procedures and reports to the Audit Committee.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

31. Financial Risk Management Objectives and Policies (Contd.)

The Group'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 Interest rate risk

The Group has borrowed debt at variable rates to finance its operations including capital expenditure, which exposes it to interest rate risk. The Group's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating. Interest rate risk exposure on the average borrowing for the year:

Particulars of average borrowing	FY 2023-24		FY 2022-23	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Fixed rate borrowing	90.20	1.09	378.71	4.63
Variable rate borrowing	6.67	0.08	226.42	2.77

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2023-24 by Rs. 0.07 Mln. USD Nil. (FY 2022-23 by Rs.2.26 Mln. USD 0.03 Mln.).

A.2 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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's transactions denominated in a foreign currency including trade receivables, unbilled revenues, trade payables and bank balances.

The Group's exposure to foreign currency risk with respect to material currencies (where the net exposure is more than USD 1 Mln., in either of the years), is as detailed below:

Foreign Currency in Mln.	Trade receivables	Unbilled revenues	Trade payables	Bank balances	Total
As at March 31, 2024					
USD*	3.95	2.25	(0.69)	0.13	5.64
PHP	5.71	47.39	-	-	53.10
EUR	0.10	0.04	(0.08)	0.02	0.08
As at March 31, 2023					
USD	8.66	8.15	(0.68)	0.12	16.24
PHP	46.47	73.90	-	-	120.37
EUR	0.21	2.05	(0.49)	0.03	1.79

* Total includes USD 1.06 Mln. (PY USD 7.32 Mln.) pertaining to UAE where the exchange risk of AED to USD is limited.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)**31. Financial Risk Management Objectives and Policies (Contd.)**

Sensitivity analysis between Indian Rupee and the following material foreign currencies specified above for an increase of / decrease by Re.1:

Foreign currency	Rs. Min.		USD Min.	
	Increase	Decrease	Increase	Decrease
As at March 31, 2024				
USD	5.64	(5.64)	0.07	(0.07)
PHP	53.10	(53.10)	0.64	(0.64)
EUR	0.08	(0.08)	-	-
As at March 31, 2023				
USD	16.24	(16.24)	0.20	(0.20)
PHP	120.37	(120.37)	1.47	(1.47)
EUR	1.79	(1.79)	0.02	(0.02)

The Company follows the following strategy to mitigate the risk of changes in exchange rates on foreign currency exposures :

- Availment of packing credit in foreign currency (PCFC), including entering into cross currency forward contracts in equivalent USD where the exposures are in other currencies. The exposure is Nil for both March 31, 2024 and March 31, 2023.
- Entering into forward contracts which are not covered by PCFC, for such quantum as considered appropriate.

A.3 Other price risk

The Group is exposed to equity price risks arising from equity investments. Group's equity investments are held for strategic rather than trading purposes.

B. Credit risk

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

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

B.1 Trade receivables, unbilled revenues, advance to suppliers and service providers**i) Trade receivables**

Trade receivable of the Group represents the dues from its customers which are exposed to credit risk. The number of customers and percentage they owed exceeding USD 0.50 Mln. individually, out of the outstanding as at March 31, 2024, were 1 and 5% respectively (8 and 38% as at March 31, 2023).

Number of customers owing more than 10% of the accounts receivable is Nil as at March 31, 2024 and one as at March 31, 2023.

The Group evaluates credit worthiness of each customer.

The Group tracks changes in credit risk of trade receivable using simplified approach as per Ind AS 109. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Where trade receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

31. Financial Risk Management Objectives and Policies (Contd.)

Provision matrix

As at March 31, 2024

	Not due		Less than 6 months		6 months -1 year		1-2 years		2-3 years		More than 3 years		Trade receivables (refer note no.12.3)		Unbilled licenses revenue and Unbilled services revenue (refer note no.12.6 & 14)	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Gross carrying amount	753.61	9.09	277.54	3.35	33.08	0.40	49.39	0.59	111.17	1.34	426.06	5.14	1,650.85	19.91	1,355.42	16.34
Expected loss rate	0.70%		26.54%		100.00%		100.00%		100.00%		100.00%		42.32%		78.11%	
Expected credit losses (Allowance for impairment loss)	5.26	0.06	73.66	0.90	33.08	0.40	49.39	0.59	111.17	1.34	426.06	5.14	698.62	8.43	1,058.76	12.77
Carrying amount (net of impairment)	748.35	9.03	203.88	2.45	-	-	-	-	-	-	-	-	952.23	11.48	296.66	3.57

As at March 31, 2023

	Not due		Less than 6 months		6 months -1 year		1-2 years		2-3 years		More than 3 years		Trade receivables (refer note no.12.3)		Unbilled licenses revenue and Unbilled services revenue (refer note no.12.6 & 14)	
	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.	Rs. Min.	USD Min.
Gross carrying amount	858.33	10.50	309.45	3.79	79.10	0.96	178.42	2.18	60.34	0.74	504.65	6.19	1,990.29	24.36	2,588.76	31.68
Expected loss rate	7.40%		7.39%		7.72%		41.50%		58.49%		52.28%		23.39%		22.95%	
Expected credit losses (Allowance for impairment loss)	63.49	0.77	22.87	0.29	6.11	0.07	74.04	0.90	35.29	0.43	263.82	3.24	465.62	5.70	594.07	7.26
Carrying amount (net of impairment)	794.84	9.73	286.58	3.50	72.99	0.89	104.38	1.28	25.05	0.31	240.83	2.95	1,524.67	18.66	1,994.69	24.42

ii) Unbilled revenues

Unbilled Revenues (Unbilled licenses revenue grouped under financial asset and Unbilled services revenue grouped under non-financial assets i.e., other assets) of the Group are also exposed to risk in the event of the inability to bill the customer. Number of external customers constituting more than 10% of the unbilled revenues in respect of them, is three as at March 31, 2024 (nil as at March 31, 2023).

iii) The Group has no dues from customers in Sudan as at March 31, 2024 (7% as at March 31, 2023).

iv) Advance to suppliers and service providers

Advance to suppliers and service providers are also exposed to risk in the event of inability to adjust such advances from their billing or otherwise recover the same.

B.2 Financial instruments and cash deposits

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

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

31. Financial Risk Management Objectives and Policies (Contd.)

There are no fixed deposits and investment in mutual fund as at the end of current year. (Fixed deposits of Rs. 467.39 Mln. USD 5.72 Mln. have been placed with 2 Banks having high credit rating. Investment in mutual funds of Rs. 100.31 Mln. USD 1.23 Mln. have been placed in bond, ultra short duration and liquid funds with 3 mutual fund institutions.)

B.3 Credit risk exposure

The carrying value of the below assets represent the maximum credit risk:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Trade receivables	952.23	11.48	1,524.67	18.66
Unbilled licenses revenue	190.12	2.29	994.58	12.18
Loans	1.03	0.01	-	-
Investments	-	-	100.31	1.23
Other financial assets	82.48	1.00	119.38	1.45
Unbilled services revenue	106.54	1.28	1,000.11	12.24
Advance to suppliers and service providers	60.25	0.72	6.99	0.08

The movement in provision for doubtful debts & advances is as below:

Balance at the beginning	1,132.01	13.84	717.82	9.53
Provisions for the year	1,288.92	15.67	639.20	8.02
Translation differences	1.43	(0.24)	43.37	(0.34)
Provision utilized for write off	(592.10)	(7.20)	(268.38)	(3.37)
Balance at the end	1,830.26	22.07	1,132.01	13.84

C. Liquidity risk

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

Financial arrangements

The Group has access to the following undrawn borrowing facilities:

Expiring within one year				
Bank cash credit / overdraft / packing credit / WCDL (subject to availability of drawing power at the time of draw)	1,015.30	12.24	1,609.44	19.69
Expiring beyond one year	Nil	Nil	Nil	Nil

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

31. Financial Risk Management Objectives and Policies (Contd.)

Maturities of financial liabilities As at March 31, 2024

Particulars	< 1 Year		> 1 Year		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Borrowings	-	-	-	-	-	-
Trade and other payables	869.21	10.47	5.41	0.07	874.62	10.54
Lease liabilities (on undiscounted basis)	182.13	2.20	587.19	7.08	769.32	9.28
	1,051.34	12.67	592.60	7.15	1,643.94	19.82

As at March 31, 2023

Particulars	< 1 Year		> 1 Year		Total	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Borrowings*	380.00	4.65	-	-	380.00	4.65
Trade and other payables	695.98	8.52	33.38	0.41	729.36	8.93
Lease liabilities (on undiscounted basis)	184.42	2.26	679.54	8.31	863.96	10.57
	1,260.40	15.43	712.92	8.72	1,973.32	24.15

* Against this, the Company had parked Rs.300 Mln. USD 3.67 Mln. in fixed deposits with banks, which had been pre closed for the purpose of prepayment of loans on April 03, 2023.

32. The Group has only one operating segment viz., Software Solutions and Services and hence the segment reporting required under Ind AS 108 does not apply. However, the following information is provided as required under paragraph 31 of Ind AS 108.

33.1 Information regarding revenue from products and services and geographical areas

Please refer note nos.20.1 & 20.2.

33.2 Information regarding specified non-current assets

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rs. Mln.	USD Mln.	Rs. Mln.	USD Mln.
Property, plant and equipment				
India including overseas branches	155.57	1.88	179.87	2.20
Other countries	23.51	0.28	26.16	0.32
Right-of-use assets				
India including overseas branches	464.82	5.60	524.37	6.42
Other countries	85.95	1.04	94.45	1.15
Intangible assets				
India including overseas branches	3,568.25	43.03	3,373.53	41.28
Other countries	-	-	-	-
Others				
India including overseas branches	5.30	0.06	1.03	0.01
Other countries	-	-	0.01	-

33.3 Information regarding major customers

No single customer represents 10% or more of the Group's total revenue for the year ended March 31, 2024 and March 31, 2023.

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

34. STATUTORY GROUP INFORMATION

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % to consolidated net assets	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to total comprehensive income	Rs. Mln.
Parent, Indian:								
Ramco Systems Limited								
Balance as at March 31, 2024	240.10%	7,564.16	46.78%	(1,131.70)	(21.81%)	(12.01)	48.38%	(1,143.71)
Balance as at March 31, 2023	159.56%	8,561.35	54.63%	(1,130.05)	(62.50%)	(57.86)	60.12%	(1,187.91)
Subsidiaries, Foreign:								
1 Ramco Systems Corporation, USA								
Balance as at March 31, 2024	54.49%	1,716.50	(3.02%)	72.99	43.78%	24.11	(4.11%)	97.10
Balance as at March 31, 2023	30.18%	1,619.39	(0.75%)	15.45	137.44%	127.24	(7.22%)	142.69
2 Ramco Systems Ltd., Switzerland								
Balance as at March 31, 2024	10.09%	317.78	(1.21%)	29.25	11.62%	6.40	(1.51%)	35.65
Balance as at March 31, 2023	5.26%	282.14	(1.19%)	24.63	26.31%	24.36	(2.48%)	48.99
3 Ramco Systems Pte. Ltd., Singapore								
Balance as at March 31, 2024	(30.01%)	(945.48)	9.16%	(221.67)	(11.60%)	(6.39)	9.65%	(228.06)
Balance as at March 31, 2023	(13.37%)	(717.42)	10.85%	(224.44)	(59.52%)	(55.10)	14.15%	(279.54)
4 Ramco Systems Sdn. Bhd., Malaysia								
Balance as at March 31, 2024	(17.87%)	(562.98)	7.66%	(185.36)	41.13%	22.65	6.88%	(162.71)
Balance as at March 31, 2023	(7.46%)	(400.28)	6.61%	(136.67)	(14.90%)	(13.79)	7.62%	(150.46)
5 RSL Enterprise Solutions (Pty) Ltd., South Africa								
Balance as at March 31, 2024	0.32%	10.18	(0.81%)	19.61	6.03%	3.32	(0.97%)	22.93
Balance as at March 31, 2023	0.11%	6.10	(0.56%)	11.63	0.67%	0.62	(0.62%)	12.25
6 Ramco Systems Canada Inc., Canada								
Balance as at March 31, 2024	1.68%	53.03	(0.58%)	14.12	0.94%	0.52	(0.62%)	14.64
Balance as at March 31, 2023	0.72%	38.37	1.10%	(22.77)	0.33%	0.31	1.14%	(22.46)
7 Ramco Systems FZ-LLC, Dubai								
Balance as at March 31, 2024	(3.34%)	(105.24)	21.49%	(519.87)	5.12%	2.82	21.87%	(517.05)
Balance as at March 31, 2023	7.68%	411.81	12.24%	(253.25)	52.14%	48.27	10.37%	(204.98)

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

34. Statutory Group Information (Contd.)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income		
	As % to consolidated net assets	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to total comprehensive income	Rs. Mln.	
8	R S L Software Co. Ltd., Sudan								
	Balance as at March 31, 2024	(0.02%)	(0.55)	0.08%	(1.89)	0.02%	0.01	0.08%	(1.88)
	Balance as at March 31, 2023	0.02%	1.33	(0.02%)	0.41	(0.36%)	(0.33)	-	0.08
9	Ramco Systems Australia Pty Ltd., Australia								
	Balance as at March 31, 2024	(23.69%)	(746.45)	8.33%	(201.57)	12.84%	7.07	8.23%	(194.50)
	Balance as at March 31, 2023	(10.29%)	(551.94)	12.00%	(248.22)	18.79%	17.40	11.68%	(230.82)
10	Ramco System Inc., Philippines								
	Balance as at March 31, 2024	1.59%	49.96	4.07%	(98.45)	(4.21%)	(2.32)	4.26%	(100.77)
	Balance as at March 31, 2023	2.81%	150.73	2.18%	(45.11)	5.57%	5.16	2.02%	(39.95)
11	Ramco Systems (Shanghai) Co. Ltd., China								
	Balance as at March 31, 2024	(6.25%)	(196.74)	7.11%	(172.13)	3.47%	1.91	7.20%	(170.22)
	Balance as at March 31, 2023	(0.49%)	(26.53)	0.56%	(11.48)	(0.66%)	(0.61)	0.61%	(12.09)
12	Ramco System Vietnam Company Limited, Vietnam								
	Balance as at March 31, 2024	(0.08%)	(2.58)	(0.09%)	2.07	(0.47%)	(0.26)	(0.08%)	1.81
	Balance as at March 31, 2023	(0.08%)	(4.39)	0.12%	(2.55)	(0.32%)	(0.30)	0.14%	(2.85)
13	PT Ramco Systems Indonesia, Indonesia								
	Balance as at March 31, 2024	(1.86%)	(58.55)	0.21%	(5.19)	3.54%	1.95	0.14%	(3.24)
	Balance as at March 31, 2023	(1.03%)	(55.32)	0.72%	(14.87)	(1.77%)	(1.64)	0.84%	(16.51)
14	Ramco Systems Macau Limited, Macao								
	Balance as at March 31, 2024	(0.05%)	(1.43)	0.01%	(0.33)	(0.04%)	(0.02)	0.01%	(0.35)
	Balance as at March 31, 2023	(0.02%)	(1.08)	0.01%	(0.27)	(0.08%)	(0.07)	0.02%	(0.34)
15	Ramco Software Japan Limited, Japan								
	Balance as at March 31, 2024	(2.14%)	(67.38)	1.41%	(34.21)	10.28%	5.66	1.21%	(28.55)
	Balance as at March 31, 2023	(0.72%)	(38.81)	1.71%	(35.39)	(1.47%)	(1.36)	1.86%	(36.75)
16	Ramco Systems Defense and Security Incorporated, USA								
	Balance as at March 31, 2024	0.85%	26.81	(0.79%)	19.23	0.51%	0.28	(0.83%)	19.51
	Balance as at March 31, 2023	0.14%	7.30	(0.20%)	4.20	0.30%	0.28	(0.23%)	4.48

Notes to Consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

34. Statutory Group Information (Contd.)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % to consolidated net assets	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to consolidated profit and loss	Rs. Mln.	As % to total comprehensive income	Rs. Mln.
17 Ramco System Korea Company Limited, South Korea								
Balance as at March 31, 2024	0.31%	9.91	0.09%	(2.21)	(1.14%)	(0.63)	0.12%	(2.84)
Balance as at March 31, 2023	-	-	-	-	-	-	-	-
Non-controlling interests								
Balance as at March 31, 2024	(1.16%)	(36.67)	0.11%	(2.60)	-	-	0.11%	(2.60)
Balance as at March 31, 2023	(0.63%)	(34.06)	(0.01%)	0.19	-	-	(0.01%)	0.19
Associate, Foreign								
Cityworks (Pty.) Limited, South Africa								
Balance as at March 31, 2024	0.54%	17.13	(0.02%)	0.59	-	-	(0.02%)	0.59
Balance as at March 31, 2023	0.31%	16.54	(0.01%)	0.16	-	-	(0.01%)	0.16
Effect of inter company eliminations / adjustments								
Balance as at March 31, 2024	(123.51%)	(3,891.05)						
Balance as at March 31, 2023	(72.68%)	(3,899.75)						
Total								
Balance as at March 31, 2024	100.00%	3,150.36	100.00%	(2,419.32)	100.00%	55.07	100.00%	(2,364.25)
Balance as at March 31, 2023	100.00%	5,365.48	100.00%	(2,068.40)	100.00%	92.58	100.00%	(1,975.82)

35. OTHER DISCLOSURES

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III by the Group:

- (a) Crypto currency or virtual currency.
- (b) Benami property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (c) Transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilization of borrowed funds & share premium
 - iii. Discrepancy in utilization of borrowings
 - iv. Current maturity of long term borrowings
- (e) Registration of charges or satisfaction with Registrar of Companies to be filed beyond the statutory period.
- (f) Loans or advances in the nature of loans, granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment, other than to the subsidiaries as disclosed in the Standalone Financial Statements.

36. PREFERENTIAL ISSUE 2022

During the previous year, a Preferential Issue of Equity Shares and Warrants Fully Convertible into Equity Shares each at a price of Rs. 274/-, aggregating to Rs.1,600 Mln. was made and the shares / warrants were allotted on February 01, 2023 as per details below:

Sl. no.	Name of the allottees	Category	Issue size Rs. Mln.	Consideration received Rs. Mln.	No. of securities allotted
1	Ramco Industries Limited	Promoter Group	450.00	450.00	1,642,335 equity shares
2	Atyant Capital India Fund-I	Non-Promoter	375.00	375.00	1,368,613 equity shares
3	Vanderbilt University	Non-Promoter	375.00	375.00	1,368,613 equity shares
4	Mr. P R Venketrama Raja	Promoter	400.00	100.00*	1,459,854 warrants
			1,600.00	1,300.00	

* Represents upfront payment of 25%. The warrants shall be convertible into equity shares, in one or more tranches, within a period of 18 months from the date of allotment, failing which the amount paid shall be forfeited.

The utilization of the proceeds of "Preferential Issue 2022" is given below:

Particulars	Amount specified as per notice of postal ballot dated December 22, 2022	Rs. Mln. Cumulative actuals
Proceeds		
Proceeds received	1,600.00	1,300.00
Utilization		
Repayment of borrowings (Range 920 to 1000)	950.00	975.00
Sales & marketing expenses	100.00	100.00
Capital expenditure towards tangible & intangible assets	200.00	200.00
General corporate purposes (Range 320 to 380)	350.00	25.00
	1,600.00	1,300.00

37. OTHER NOTES

Figures for the previous year(s) have been regrouped / restated wherever necessary to make them comparable with the figures for the current year.

As per our report annexed

For **M S JAGANNATHAN & N KRISHNASWAMI**
Chartered Accountants
Firm Registration No.: 001208S

P R VENKETRAMA RAJA
Chairman
Rajapalayam

SOUNDARA KUMAR
Director
Coimbatore

P V ABINAV RAMASUBRAMANIAM RAJA
Whole Time Director

SUBRAMANIAN SUNDARESAN
Chief Executive Officer

K SRINIVASAN
Partner
Membership No.: 021510

R RAVI KULA CHANDRAN
Chief Financial Officer

N E VIJAYARAGHAVAN
Company Secretary

Place: Chennai
Date: May 21, 2024



RAMCO SYSTEMS LIMITED

REGISTERED OFFICE: 47, P S K NAGAR, RAJAPALAYAM - 626 108.

CORPORATE OFFICE: 64, SARDAR PATEL ROAD, TARAMANI, CHENNAI - 600 113.

CIN: L72300TN1997PLC037550, E-mail : investorrelations@ramco.com

Website: www.ramco.com

PHONE: +91 44 2235 4510 / 6653 4000

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Twenty Seventh Annual General Meeting (“AGM”) of the Members of Ramco Systems Limited, will be held on August 21, 2024 at 10.00 a.m. through Video Conferencing / Other Audio Visual Means (VC), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a. the Report of the Board of Directors, Audited Separate (Standalone) Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

“**RESOLVED THAT** the Board's Report and the Company's Separate (Standalone) and Consolidated Audited Financial Statements for the financial year ended March 31, 2024 and the Auditors' Reports thereon be and are hereby considered and adopted”

2. To consider and appoint a Director in place of Mr. Sankar Krishnan (DIN: 01597033), who retires by rotation and being eligible, has offered himself for re-appointment:

“**RESOLVED THAT** Mr. Sankar Krishnan (DIN: 01597033), who retires by rotation being eligible and willing for re-appointment and recommended by the Nomination and Remuneration Committee and the Board of Directors for re-appointment, be and is hereby re-appointed as a Director of the Company, subject to retirement by rotation on such remuneration as may be fixed by the Board of Directors”.

SPECIAL BUSINESS:

3. To consider and if though fit, pass the following resolution as a **SPECIAL RESOLUTION:**

To consider and approve the re-appointment of Mr. P V Abinav Ramasubramaniam Raja as a whole time key managerial personnel in the position Manager with the designation as Whole Time Director.

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. P V Abinav Ramasubramaniam Raja (DIN: 07273249), as a Director and whole time key managerial personnel, in the position of Manager with the designation as Whole Time Director, for a further period of 3 (three) years from June 04, 2024 to June 03, 2027 on a remuneration not exceeding 5% of the net profits of the Company, calculated as per Section 197(1), read with Section 198 of the Companies Act, 2013, with authority to the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, to alter and vary the terms of remuneration, as it may deem fit and to fix the quantum, components and periodicity of the remuneration.

RESOLVED FURTHER THAT in case he draws remuneration as a whole time key managerial personnel from another Company, the quantum of remuneration payable by the Company shall be determined in such a manner that the total remuneration payable by both the Companies (in the aggregate) shall not exceed the higher maximum limit permissible for any one of the Companies.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, he shall be paid the minimum remuneration as may be determined by Board of Directors based on the recommendation of the Nomination and Remuneration Committee which shall have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration within the limit prescribed under (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in addition to the above remuneration, he shall also be eligible for fees to attend Meetings of the Board or any Committees thereof or for any other purpose whatsoever as may be decided by the Board, as provided in Section 197(5) of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. P V Abinav Ramasubramaniam Raja, shall not be liable to retire by rotation during his above specified tenure”.

By Order of the Board,
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA

Chairman

Place : Rajapalayam

Date : May 21, 2024

NOTES:

1. The Company has chosen to conduct this AGM through VC. The AGM would be conducted in compliance with the applicable provisions of the Companies Act, 2013 ("The Act") read with Ministry of Corporate affairs ("MCA") General Circular No. 09/2023 dated September 25, 2023 and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 read with the circulars issued earlier on the subject and such other instructions as may be issued by Statutory Authorities. Hence, Members can attend and participate in the ensuing AGM through VC.
2. Statement pursuant to Section 102 of the Act, setting out the material facts concerning item of special business are annexed hereto. Information in respect of the Director seeking re-election/re-appointment as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR") and as required under Secretarial Standard - 2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, are included in this Notice.
3. Electronic copy of the Notice for the AGM and the Annual Report for the financial year FY 2023-24 are being sent to all the Members whose e-mail ids are registered with the Company/Depository Participants ("DP"). The dispatching of physical copies of the Financial Statements (including Board's Report, Auditors' Report or other documents required to be attached therewith), has been dispensed with. Such Statements are being sent only by email to the Members and to all other persons so entitled. The Notice and the Annual Report will also be available for download on the Company's website – www.ramco.com and at the websites of Stock Exchanges Viz., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the Company's shares are listed. The AGM Notice is also disseminated on the website of Central Depository Services (India) Limited ("CDSL") (the agency appointed by the Company for providing the Remote e-voting facility, e-voting system during the AGM & participate in the AGM through the VC facility) i.e. www.evotingindia.com .
4. As this AGM is being held pursuant to the MCA circulars through VC, the requirement of physical attendance of members has been dispensed with. Accordingly, in accordance with MCA circulars and the SEBI circulars, the facility for appointment of proxies by the Members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
5. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members holding shares in electronic mode who have not got their e-mail addresses updated with the DP are requested to update their e-mail address and any changes therein. Members holding shares in physical mode are requested to update their e-mail address/mobile number, quoting their folio number, to our Registrar and Share Transfer Agent, viz., Cameo Corporate Services Limited, (Unit: Ramco Systems Limited), ("RTA") in the URL <https://wisdom.cameoindia.com/> or by writing to them at 'Subramanian Building,' No.1, Club House Road, Chennai 600 002.
6. As per Regulation 40 of SEBI LODR, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's RTA for any assistance in this regard.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP's in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form. The said changes related to physical shares to be intimated in prescribed Form ISR-1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, read with Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated September 26, 2023 as per instructions mentioned in the form. The said forms can be downloaded from the Company's website: <https://www.ramco.com/investor-relations/investor-information/common-and-simplified-norms/> .
8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in

dematerialised form. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialised form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website <https://www.ramco.com/investor-relations/investor-information/common-and-simplified-norms/>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA/Company in case the shares are held in physical form. It may be noted that any service request can be processed only after the folio is in KYC Compliant.

9. In accordance with Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.ramco.com.
10. The Company is also releasing a public notice by way of advertisement being published in English in Business Standard (all editions) and in vernacular language in Makkal Kural (all editions), containing the following information:
 - a. Convening of AGM through VC in compliance with applicable provisions of the Act.
 - b. Date and Time of the AGM.
 - c. Availability of Notice of the Meeting on the website of the Company and in the Stock Exchanges, viz. BSE and NSE where the Company's shares are listed and at <https://www.evotingindia.com>.

- d. Requesting the Members who have not registered their e-mail addresses, to get the same registered with the RTA in the URL <https://wisdom.cameoindia.com/>. Members are requested to register their email addresses with their DP in case the shares are held in dematerialised form.
 - e. Reference to the link of the Company's website, providing access to the full Annual Report.
11. The cut-off date will be August 14, 2024 for determining the eligibility to vote by remote e-voting or in the AGM.
 12. Voting Through Electronic Means:
 - 12.1 In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and circulars issued by MCA in this regard and Regulation 44 of SEBI LODR the Company is providing remote e-voting facility through the e-voting platform provided by CDSL to enable Members to exercise their right to vote at the 27th AGM by electronic means and the business may be transacted through such voting, through e-voting services provided by CDSL.
 - 12.2 The remote e-voting period begins at 9:00 a.m. on Sunday, the August 18, 2024 and ends at 05:00 p.m. on Tuesday, the August 20, 2024. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date viz., on Wednesday, the August 14, 2024 may cast their vote electronically. The remote e-voting shall not be allowed beyond 5.00 p.m. on Tuesday, the August 20, 2024. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - 12.3 In terms of SEBI Circular No. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 09, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with DP. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

12.4 Pursuant to said SEBI Circular, Login method for e-voting and joining the AGM through VC for Individual Members holding securities in demat mode are given below:

Type of Members	Login Method
Members holding securities in demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/Home/Login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-Voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining the AGM through VC & voting during the Meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration . 4) Alternatively, the user can directly access e-voting page by providing demat account number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Members holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining the AGM through VC & voting during the Meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https:// eservices.nsd.com . Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp . 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https:// www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number holding with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining the AGM through VC & voting during the Meeting.

Type of Members	Login Method
Members (holding securities in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining the AGM through VC & voting during the Meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

12.5 Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login type	Helpdesk details
Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000.

12.6 Login method for e-voting and joining the AGM through VC for Members other than individual shareholders holding in demat form & for those holding in physical form:

- a. The Members should log on to the e-voting website www.evotingindia.com
- b. Click on “Shareholders” module
- c. Now enter your User ID
- d. For CDSL: 16 digits beneficiary ID
For NSDL: 8 Character DP ID followed by 8 Digits Client ID
Members holding shares in physical form should enter folio number registered with the Company
- e. Next enter the Image Verification as displayed and Click on Login
- f. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used
- g. If you are a first-time user, follow the steps given below:

For Members holding shares in demat form other than individual and physical form

PAN	Enter your 10 digit alpha-numeric PAN issued by income Tax Department (applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/DP are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend bank details OR Date of Birth (DOB)	Enter the Dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company please enter the Member id / folio number in the Dividend bank details field as mentioned in instruction 12.6.

- h. After entering these details appropriately, click on “SUBMIT” tab.

12.7 Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

12.8 For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

12.9 Click on the EVSN for Ramco Systems Limited on which you choose to vote.

12.10 On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12.11 Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.

12.12 After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK"; else to change your vote, click on "CANCEL" and accordingly modify your vote.

12.13 Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

12.14 You can also take print of the voting done by you by clicking on "Click here to print" option on the voting page.

12.15 If a demat account holder has forgotten the changed password then enter the User ID and captcha Code click on forgot password & enter the details as prompted by the system.

12.16 There is also an optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutiniser for verification.

12.17 Facility for non-individual Members and custodians - Remote e-voting:

- a. Non individual Members (i.e. other than individuals, HUF, NRI etc.) and custodians are

required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- b. A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- c. After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- d. The list of accounts linked should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian/ authorised person, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

- f. Alternatively Non-individual Members are required to send the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the scrutiniser at srinivasan.k@msjandnk.in and to the Company at the above mention email address of the Company, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the Scrutiniser to verify the same.

12.18 All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

13. Instructions for Members attending the AGM through VC & e-voting during the AGM are as under:

13.1 The Company would be providing the CDSL system for the Members to cast their vote through remote e-voting and participate in the AGM through VC. Members may access the same at <https://www.evotingindia.com/> under shareholders/ Members login by using the remote e-voting credentials.

13.2 The procedure for attending Meeting & e-voting on the day of the AGM are the same as the instructions mentioned for Remote e-voting in point no.12.

- 13.3 The Members can join the AGM in the VC mode up to 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 1000 Members on first come first served basis. This will not include Members holding 2% or more shareholding, promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM.
- 13.4 Members are requested to join the Meeting through laptops / IPad's for better experience and will be required to have webcam and use internet with a good speed to avoid any disturbance during the Meeting.
- 13.5 Members are requested to use Stable Wi-Fi or LAN Connection to mitigate Audio/Video loss due to fluctuation in your network. Please avoid connecting through your Mobile Devices or Tablets or through laptop via Mobile Hotspot.
- 13.6 Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request at least 3 days prior to Meeting mentioning your name, demat account number /folio number, email id, mobile number (as registered with the DP/Company) to the mail id: investorrelations@ramco.com. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
- 13.7 Members who do not wish to speak during the AGM but have queries may send your queries at least 3 days prior to Meeting mentioning your name, demat account number/folio number, email id, mobile number to the mail id: investorrelations@ramco.com. These queries will be replied by the Company suitably by email.
- 13.8 Non-Individual Members intending to authorise their representatives to attend the Meeting are requested to send a scanned certified copy of the Board Resolution authorising their representative to attend on their behalf at the Meeting. The said Resolution/ Authorisation shall be sent to the Scrutiniser by email through its registered email address with a copy marked to srinivasan.k@msjandnk.in and helpdesk.evoting@cdslindia.com.
- 13.9 The attendance of the Members attending the AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- 13.10 The link for VC will be available in shareholder/ Members login where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting in point no.12.
- 13.11 The Members who have voted through Remote e-voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the AGM.
- 13.12 Only those Members, who are present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- 13.13 If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the Meeting through VC facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the Meeting.
- 13.14 In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 13.15 Norms for furnishing of PAN, KYC, Bank details and Nomination:
Pursuant to SEBI Circular no.SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 01, 2023, shall be frozen by the RTA. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.ramco.com/investor-relations/investor-information/common-and-simplified-norms/>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

14. Process for those Members whose email / mobile no. are not registered with the RTA / Depositories:

- a. For physical shareholders - your email id / mobile no. along with necessary details like folio no., name of the Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of AADHAAR Card) are to be updated in the RTA portal <https://wisdom.cameoindia.com/>.
- b. For demat shareholders, please update your email id & mobile no. with your respective DP which is mandatory while e-voting & joining the AGM through VC through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

15. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e.

August 14, 2024 may obtain the login ID and password by following the procedures mentioned in Point No: 12.4 to 12.6, as the case may be.

16. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 14, 2024.
17. Mr. K Srinivasan, Chartered Accountant (Membership No.021510), Partner, M S Jagannathan & N Krishnaswami, Chartered Accountants (email: srinivasan.k@msjandnk.in) has been appointed as the Scrutiniser to scrutinise the remote e-voting process, in a fair and transparent manner.
18. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, within 2 working days of conclusion of the Meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
19. The Results declared along with the report of the scrutiniser shall be placed on the website of the Company and on the website of CDSL and at the Registered Office/Corporate Office of the Company immediately after the declaration of results by the Chairman or a person authorised by him. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.

Information at a glance

Particulars	Details
Time and date of AGM	10:00 A.M.(IST) on Monday, August 21, 2024
Mode	Video Conferencing
Participation through VC	www.evotingindia.com
Helpline number for VC participation	1800 22 55 33
Cut-off date for eligibility of remote e-voting and voting at the AGM	August 14, 2024
E-voting start time and date	9:00 a.m. on Sunday, the August 18, 2024
E-voting end time and date	05:00 p.m. on Tuesday, the August 20, 2024
E-voting website of CDSL	https://www.evotingindia.com/

By Order of the Board,
For **RAMCO SYSTEMS LIMITED**

P R VENKETRAMA RAJA
Chairman

Place : Rajapalayam
Date : May 21, 2024

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACT

Item No.3

Based on the recommendation of Nomination and Remuneration Committee (NRC) and approval of the Board of Directors, Members at the 25th AGM held on August 10, 2022, approved the re-appointment of Mr. P V Abinav Ramasubramaniam Raja as a Director and whole time key managerial personnel in the position of Manager, with the designation as Whole Time Director of the Company for a period 2 years commencing from June 04, 2022 to June 03, 2024. His monthly remuneration for the final year of the current term is Rs.110,000/-.

Considering his qualification, positive attributes, valuable contribution and active involvement in the operations and in particular, the initiative taken for successful launch of "PAYCE" during the tenure of Mr. P V Abinav Ramasubramaniam Raja, the NRC at its Meeting held on May 21, 2024 had reviewed and recommended the re-appointment of Mr. P V Abinav Ramasubramaniam Raja as a whole time key managerial personnel in the position of Manager with the designation as Whole Time Director of the Company and the Board of Directors at their Meeting held on May 21, 2024, had approved the same, subject to the approval of the Members at the ensuing 27th AGM. The re-appointment is for a period of 3 years commencing from June 04, 2024 to June 03, 2027. He will not be considered as a Director who is liable to retire by rotation.

Based on the recommendation of NRC, the Board has also approved the remuneration in accordance with Schedule V of the Act, which is as follows:

Terms of Remuneration:

i. When the Company is having profit:

Up to 5% of the net profits of the Company, calculated as per Section 197(1), read with Section 198 of the Act.

ii. When the Company is having no profit or inadequate profit:

If, in any financial year during the currency of his tenure, the Company has no profit or inadequate profit, the remuneration shall be paid as recommended / approved by the NRC and the Board, which shall have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration within the limit prescribed under (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

Based on the Company's effective capital as on March 31, 2024, the limit of yearly remuneration, for the first year of the tenure will be up to Rs.120 lakhs plus 0.01% of the effective capital in excess of Rs.250 cr.

iii. Effective his date of re-appointment, the following remuneration shall be paid, which may be revised from time to time by the Board on the recommendation of NRC, within the overall limits approved by the Members.

Monthly fees for professional services amounting to Rs.110,000/- plus applicable GST and reimbursement of out-of-pocket expenses from June 04, 2024 to June 03, 2025 and thereafter as may be decided by the Board on the recommendation of NRC within the overall limits.

iv. In addition to the above remuneration, he will also be eligible for any fee paid for attending Meetings of the Board or Committees thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Act.

v. Since Mr. P V Abinav Ramasubramaniam Raja is also the Managing Director of Ramco Industries Limited, his remuneration in any of the financial years during his tenure shall not exceed the higher of the maximum limit permissible under Schedule V of the Act, in any one of the Companies viz., Ramco Systems Limited and Ramco Industries Limited.

The appointment and the remuneration are in accordance with the applicable provisions of the Act, and the Rules made thereunder. Since the conditions stipulated in Schedule V of the Act, are fulfilled, approval of Government of India is not required.

Mr. P V Abinav Ramasubramaniam Raja is a Director in the following Companies:

1. Ramco Systems Limited
2. Ramco Industries Limited
3. Rajapalayam Mills Limited
4. Ramamandiram Management Consultancy Private Limited
5. L3 Enterprises Private Limited
6. RCDC Securities and Investments Private Limited

During the past three years, he has not resigned from the Directorship of any listed entities.

Mr. P V Abinav Ramasubramaniam Raja is a Member in the following Committees of the Board of the above said Companies:

Sl. No.	Name of the Company	Name of the Committee	Position held (Member/ Chairman)
1.	Ramco Systems Limited	Stakeholder Relationship Committee	Member
		Risk Management Committee	Member
		Fund Raising Committee	Member
2.	Rajapalayam Mills Limited	Corporate Social Responsibility Committee	Member
		Risk Management Committee	Member
3.	Ramco Industries Limited	Corporate Social Responsibility Committee	Member

He holds 110,332 equity shares in the Company.

His skill set includes Strategy Management and Business Management, knowledge in Information Technology and Industrial Engineering. Considering the responsibilities to be undertaken by Mr. P V Abinav Ramasubramaniam Raja and his suitability, the Directors recommend the special resolution for Members' approval.

Disclosure of Interest:

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. P R Venketrama Raja, Chairman and Promoter, father of Mr. P V Abinav Ramasubramaniam Raja and Mr. P V Abinav Ramasubramaniam Raja as appointee may be deemed to be concerned or interested financially or otherwise in the Resolution.

Information required under Section II, Part II of Schedule V of the Act:

I. General Information			
Nature of industry	Information Technology (Software Products)		
Date or expected date of commencement of commercial production	Company was incorporated on February 19, 1997 and the Certificate of Commencement of Business was dated June 19, 1997		
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
Financial performance based on given indicators	The details of the standalone financial performance of the Company are given below:		
	Rs. Mln.		
	Year	Total Income	Net Profit / (Loss)
	2023-24	2,756.67	(1,131.70)
	2022-23	2,538.57	(1,130.05)
	2021-22	2,900.08	(499.71)
	2020-21	3,543.58	442.25
	The details of the consolidated financial performance of the Company are given below:		
	Rs. Mln.		
	Year	Total Income	Net Profit / (Loss)
	2023-24	5,298.93	(2,419.32)
	2022-23	4,977.32	(2,068.40)
	2021-22	5,403.77	(733.59)
	2020-21	6,408.71	557.77
Foreign investments or collaborations, if any	The Company has been investing in its overseas Subsidiaries. Currently, there are Nineteen Subsidiaries and the details of which are given in the Annual Report 2024 which accompanies this Notice.		

II. Information about the appointee

Background details	Mr. P V Abinav Ramasubramaniam Raja is being appointed as a whole time key managerial personnel in the position of Manager with the designation as Whole Time Director of the Company. Further details are provided in this explanatory statement under Item No. 3.
Past remuneration	Rs.1,320,000/- p.a.
Recognition or awards	Nil
Job profile and his suitability	<p>Mr. P V Abinav Ramasubramaniam Raja, 30 years, is a graduate in Industrial Engineering from Northwestern University, USA and has undergone internship in Enam Holdings Pvt. Ltd., Mumbai as Equity Research Analyst and in The Ramco Cements Limited, Chennai, as Summer Analyst. His areas of expertise includes Strategy Management and Business Management, knowledge in Information, technology and industrial engineering.</p> <p>He is also the Managing Director of Ramco Industries Limited from June 04, 2017. He has been on the Board of Directors of the Company since June 04, 2017.</p>
Remuneration proposed	Monthly fees for professional services amounting to Rs.110,000/- p.m. from June 04, 2024 to June 03, 2025 and thereafter as may be decided by the Board on the recommendation of NRC within the overall limits. Further details are provided in this explanatory statement under Item No. 3.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is lower than the remuneration of CEO / MD levels of similar sized Information Technology companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other Director, if any	Besides the remuneration and sitting fees, Mr. P V Abinav Ramasubramaniam Raja does not have any other pecuniary relationship with the Company. He is the son of Mr. P R Venketrama Raja, Chairman of the Company.

III. Other information

Reasons of loss or inadequate profits	<p>Though from FY 2014-15, the Company had consecutively made profits till FY 2020-21, during the last 3 financial years, there was a loss on account of lower order booking, resulting in lower revenue, coupled with increase in expenses. The global order booking dipped during the year dipped by about 17% over the previous year, though the revenue improved marginally by 4%, due to increase mainly in revenue from software products.</p> <p>Approval of the Members is being sought for minimum remuneration during the tenure.</p>
Steps taken or proposed to be taken for improvement	The Company continues to expand its diversified geographic business model, with focus on its key strategic business units, coupled with optimizing the cost and efficiencies, to improve the business performance.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve the Company's performance and reduce the losses/increase the profitability in the future.

IV. Disclosure: As required, the information including those relating to the remuneration of all Directors, is provided under the Corporate Governance Section of Annual Report 2024.

The Company had not made any default in repayment of its debt or interest payable thereon during the preceding FY 2023-24.

The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of SEBI LODR.

The Board recommends the resolution set out at **Item No. 3** of the Notice for approval by the Members by way of a Special Resolution.

INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM PURSUANT TO REGULATION 36(3) OF SEBI LODR AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS:

In accordance with the provisions of Section 152 of the Act, Mr. Sankar Krishnan, (DIN: 01597033), Director, retires by rotation and is seeking re-appointment at the ensuing AGM.

Mr. Sankar Krishnan, 56, Non-Executive Non-Independent Director, is a former partner of McKinsey & Co, a leading global management consultancy firm. He steered McKinsey's healthcare practice in India and Greater China, led their Indian recruiting team and was worldwide Dean of their leadership training programme.

He left McKinsey to consult in the development sector. His non-profit engagements have included advising the Gates Foundation in India, the Healthcare Working Group for the Kerala State government and the National Institute of Speech and Hearing. He was the Pro Vice Chancellor of Ashoka University, a leading liberal arts and sciences university in India. He has been a strategic advisor to many multinational organisations in technology, healthcare and social development. He is currently Chairperson of Simprints Technologies, a non-profit venture based out of Cambridge, and on the boards of several high growth companies. As a leadership coach and mentor through his career, he has a large global pool of mentees.

A Mensa member, Sankar holds an MBA from the Indian Institute of Management Ahmedabad graduating in the top 5 of his class. He has a B.Tech degree in Computer Science and Engineering from the University of Kerala, finishing University third rank across all branches. He has been on our board since May 11, 2018 and he does not hold any shares in the Company. His spouse Mrs. Divya Krishnan holds 4,426 shares as on March 31, 2024. He is also a Member of the Audit Committee and Corporate Social Responsibility Committee of the Company.

During the year, he has attended all the Meetings of the Board and its Committees, where he is a Member. He is not related to the Directors or Key Managerial Personnel of the Company. His skill set includes Information Technology, Strategy Management and Business Management, Business Consulting and Project Management.

He is also a Director in the following other Companies: -

Sl. No.	Names of the Entities	Nature of Interest
1.	Shri Harini Media Limited	Director
2.	Simprints Technology Limited (UK Company)	Director
3.	INAPP Information Technologies (India) Private Limited	Director

He is also a Member in the following Committees of other Companies: -

Sl. No.	Name of the Company	Name of the Committee	Position
1.	Shri Harini Media Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Independent Director Committee	Member

Disclosure of Interest:

Except Mr. Sankar Krishnan, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the Resolution. The Notice together with this statement may be regarded as a disclosure under Regulation 36(3) of SEBI LODR.

By Order of the Board,
For RAMCO SYSTEMS LIMITED

P R VENKETRAMA RAJA
Chairman

Place : Rajapalayam
Date : May 21, 2024

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USA

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Africa

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Fax: +27-313121326

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