



# Ramco Systems Limited

Regd Office : 47, PSK Nagar, Rajapalayam - 626 108

Corporate Office : No. 64, Sardar Patel Road, Taramani, Chennai 600 113.

## Un-audited Financial Results for the Quarter Ended September 30, 2007

(Rs. Lacs)

| Sl. No. | Particulars  | Quarter ended    |                  | Half year ended  |                   | Previous accounting Year ended 31-03-2007 |
|---------|--|------------------|------------------|------------------|-------------------|---|
|         |  | 30.09.2007       | 30.09.2006       | 30.09.2007       | 30.09.2006        |   |
|         |  | Unaudited        | Unaudited        | Unaudited        | Unaudited         | Audited                                   |
| 1       | Net Sales / Income from Operations   | 2,129.40         | 1,945.64         | 4,890.52         | 4,057.32          | 7,857.10                                  |
| 2       | Other Income   | 191.11           | 592.57           | 268.39           | 641.41            | 829.64                                    |
| 3       | <b>Total Income</b>  | <b>2,320.51</b>  | <b>2,538.21</b>  | <b>5,158.91</b>  | <b>4,698.73</b>   | <b>8,686.74</b>                           |
| 4       | Expenditure:   |                  |                  |                  |                   |   |
|         | a) Cost of Resale Materials  | 104.33           | 32.41            | 189.92           | 36.18             | 135.29                                    |
|         | b) Employees Cost  | 1,138.38         | 1,515.74         | 2,755.13         | 2,977.13          | 6,115.72                                  |
|         | c) Depreciation - Technology Platform & Product software                         | 407.04           | 358.90           | 809.66           | 717.80            | 1,435.60                                  |
|         | d) Depreciation - Others   | 167.28           | 181.09           | 334.54           | 362.52            | 703.52                                    |
|         | e) Selling & Marketing Expenses  | 71.28            | 65.49            | 115.32           | 98.41             | 220.70                                    |
|         | f) Administration & Other Expenses   | 460.78           | 431.82           | 829.64           | 934.47            | 1,957.13                                  |
|         | <b>Total</b>   | <b>2,349.09</b>  | <b>2,585.45</b>  | <b>5,034.21</b>  | <b>5,126.51</b>   | <b>10,567.96</b>                          |
| 5       | Interest   | 479.28           | 302.92           | 913.77           | 586.03            | 1,291.11                                  |
| 6       | Exceptional items  | -                | -                | -                | -                 | -   |
| 7       | <b>Profit(+)/ Loss (-) from Ordinary Activities before tax (3)-(4+5+6)</b>       | <b>(507.86)</b>  | <b>(350.16)</b>  | <b>(789.07)</b>  | <b>(1,013.81)</b> | <b>(3,172.33)</b>                         |
| 8       | Tax expense  |                  |                  |                  |                   |   |
|         | Current Taxation   | Nil              | Nil              | Nil              | Nil               | Nil                                       |
|         | Deferred Taxation  | Nil              | Nil              | Nil              | Nil               | Nil                                       |
|         | Fringe Benefit Tax   | 15.00            | 9.00             | 30.00            | 18.00             | 48.00                                     |
| 9       | <b>Net Profit (+) / Loss (-) from Ordinary Activities after tax (7-8)</b>        | <b>(522.86)</b>  | <b>(359.16)</b>  | <b>(819.07)</b>  | <b>(1,031.81)</b> | <b>(3,220.33)</b>                         |
| 10      | Extraordinary items (net of tax expenses)  | -                | -                | -                | -                 | -   |
| 11      | <b>Net Profit (+) / Loss (-) for the period (9-10)</b>                           | <b>(522.86)</b>  | <b>(359.16)</b>  | <b>(819.07)</b>  | <b>(1,031.81)</b> | <b>(3,220.33)</b>                         |
| 12      | Paid-up Equity Share Capital -Face value of Rs. 10 each                          | 1,539.19         | 1,539.16         | 1,539.19         | 1,539.16          | 1,539.19                                  |
| 13      | Reserves excluding revaluation reserves  |                  |                  |                  |                   | 12,797.81                                 |
| 14      | Earnings per Share - Basic & Diluted before & after extraordinary items - in Rs. | (3.40)           | (2.34)           | (5.33)           | (6.72)            | (20.97)                                   |
|         |  | (Not annualised) | (Not annualised) | (Not annualised) | (Not annualised)  | (Annualised)                              |
| 15      | Public share holding   |                  |                  |                  |                   |   |
|         | a) Number of Shares  | 5,752,731        | 5,746,834        | 5,752,731        | 5,746,834         | 5,746,834                                 |
|         | b) Percentage of Share Holding   | 37.46%           | 37.42%           | 37.46%           | 37.42%            | 37.42%                                    |

**Notes:** (The figures in brackets in the notes denote the amounts for the corresponding quarter in the previous year)

- The above results together with the Auditor's Limited Review Report thereon have been approved and taken on record at the Board Meeting held on 31st October 2007.
- Other income for the current quarter includes rental income of Rs.94.03 lacs ( Rs.47.10 lacs), interest of Rs.13.53 lacs ( Rs.67.61 lacs) and dividend from Ramco Systems Sdn. Bhd, Malaysia ( a wholly owned subsidiary) Rs.83.40 lacs (dividend from RSL Enterprise Solutions (Pty) Limited, South Africa (a wholly owned subsidiary) Rs.466.40 lacs).
- Administration & Other Expenses for the current quarter includes foreign exchange fluctuation loss of Rs.47.27 lacs (foreign exchange fluctuation gain of Rs. 53.75 lacs).
- In the perception of the company, the provisioning for deferred tax asset / liability does not arise.
- The company currently operates only in one segment, viz., Software Solutions & Services and hence the segment reporting as required by AS-17, issued by the Institute of Chartered Accountants of India does not apply.
- Status of Investor grievance:

| Description       | Pending as on 01.07.07 | Received during the current quarter | Redressed during the current quarter | Pending as on 30.09.07 |
|-------------------|------------------------|-------------------------------------|--------------------------------------|------------------------|
| No. of complaints | Nil                    | 2                                   | 2                                    | Nil                    |

- Figures for the previous periods have been regrouped / restated wherever necessary to make them comparable with the figures for the current period.



# Ramco Systems Limited

Registered Office : 47, PSK Nagar, Rajapalayam - 626 108.

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

## Unaudited Global Consolidated Financial Results (under AS 21) for the Quarter Ended September 30, 2007

| Sl. No. | Particulars   | Unaudited for the Quarter Ended |                  |                  |                  | Unaudited for the Half year ended |                  |                  |                  | Previous accounting year ended (Audited) |                   |
|---------|---|---------------------------------|------------------|------------------|------------------|-----------------------------------|------------------|------------------|------------------|--|-------------------|
|         |   | 30.09.2007                      |                  | 30.09.2006       |                  | 30.09.2007                        |                  | 30.09.2006       |                  | 31.03.2007                               |                   |
|         |   | USD mln.                        | Rs.Lacs          | USD mln.         | Rs.Lacs          | USD mln.                          | Rs.Lacs          | USD mln.         | Rs.Lacs          | USD mln.                                 | Rs.Lacs           |
| 1       | <b>Net Sales</b>  | <b>13.49</b>                    | <b>5,442.52</b>  | <b>12.50</b>     | <b>5,755.00</b>  | <b>27.64</b>                      | <b>11,342.97</b> | <b>25.16</b>     | <b>11,461.15</b> | <b>59.23</b>                             | <b>26,670.32</b>  |
| 2       | Other Income  | 0.57                            | 234.11           | 0.52             | 236.79           | 0.79                              | 322.90           | 0.64             | 292.80           | 1.18                                     | 531.56            |
| 3       | <b>Total Income</b>   | <b>14.06</b>                    | <b>5,676.63</b>  | <b>13.02</b>     | <b>5,991.79</b>  | <b>28.43</b>                      | <b>11,665.87</b> | <b>25.80</b>     | <b>11,753.95</b> | <b>60.41</b>                             | <b>27,201.88</b>  |
| 4       | Expenditure:  |                                 |                  |                  |                  |                                   |                  |                  |                  |  |                   |
| a)      | Cost of Resale Materials  | 0.42                            | 169.22           | 0.17             | 77.90            | 0.79                              | 325.60           | 0.54             | 244.65           | 9.56                                     | 4,302.03          |
| b)      | Employees Cost  | 7.55                            | 3,043.76         | 8.55             | 3,932.66         | 16.06                             | 6,588.70         | 16.95            | 7,721.27         | 35.85                                    | 16,139.94         |
| c)      | Depreciation - Technology Platform & Product software                       | 1.01                            | 407.04           | 0.78             | 358.90           | 1.97                              | 809.66           | 1.58             | 717.80           | 3.19                                     | 1,435.60          |
| d)      | Depreciation - Others   | 0.45                            | 182.94           | 0.43             | 199.43           | 0.89                              | 365.72           | 0.88             | 400.65           | 1.77                                     | 797.81            |
| e)      | Selling & Marketing Expenses  | 0.71                            | 288.56           | 0.52             | 240.89           | 1.46                              | 600.62           | 1.29             | 586.16           | 2.43                                     | 1,096.07          |
| f)      | Administration & Other Expenses   | 2.53                            | 1,023.91         | 2.52             | 1,159.24         | 4.77                              | 1,955.94         | 5.07             | 2,311.19         | 12.66                                    | 5,700.65          |
|         | <b>Total Expenditure</b>  | <b>12.67</b>                    | <b>5,115.43</b>  | <b>12.97</b>     | <b>5,969.02</b>  | <b>25.94</b>                      | <b>10,646.24</b> | <b>26.31</b>     | <b>11,981.72</b> | <b>65.46</b>                             | <b>29,472.10</b>  |
| 5       | Interest  | 1.19                            | 480.03           | 0.67             | 308.63           | 2.23                              | 915.23           | 1.32             | 602.39           | 2.88                                     | 1,298.24          |
| 6       | <b>Exceptional items</b>  | -                               | -                | -                | -                | -                                 | -                | -                | -                | -  | -                 |
| 7       | <b>Profit(+ ) / Loss (-)from Ordinary Activities before tax (3)-(4+5+6)</b> | <b>0.20</b>                     | <b>81.17</b>     | <b>(0.62)</b>    | <b>(285.86)</b>  | <b>0.26</b>                       | <b>104.40</b>    | <b>(1.83)</b>    | <b>(830.16)</b>  | <b>(7.93)</b>                            | <b>(3,568.46)</b> |
| 8       | Tax expense   |                                 |                  |                  |                  |                                   |                  |                  |                  |  |                   |
|         | Current Taxation  | 0.10                            | 43.48            | 0.15             | 69.88            | 0.11                              | 43.50            | 0.15             | 69.88            | 0.30                                     | 133.49            |
|         | Deferred Taxation   | -                               | -                | -                | -                | -                                 | -                | -                | -                | -  | -                 |
|         | Fringe Benefit Tax  | 0.04                            | 15.00            | 0.02             | 9.00             | 0.07                              | 30.00            | 0.04             | 18.00            | 0.14                                     | 65.20             |
| 9       | <b>Net Profit(+ ) / Loss (-)from Ordinary Activities after tax (7-8)</b>    | <b>0.06</b>                     | <b>22.69</b>     | <b>(0.79)</b>    | <b>(364.74)</b>  | <b>0.08</b>                       | <b>30.90</b>     | <b>(2.02)</b>    | <b>(918.04)</b>  | <b>(8.37)</b>                            | <b>(3,767.15)</b> |
| 10      | Extraordinary items (net of tax expenses)                                   | -                               | -                | -                | -                | -                                 | -                | -                | -                | -  | -                 |
| 11      | <b>Net Profit (+ ) / Loss (-) for the period (9-10)</b>                     | <b>0.06</b>                     | <b>22.69</b>     | <b>(0.79)</b>    | <b>(364.74)</b>  | <b>0.08</b>                       | <b>30.90</b>     | <b>(2.02)</b>    | <b>(918.04)</b>  | <b>(8.37)</b>                            | <b>(3,767.15)</b> |
| 12      | Minority Interest   | -                               | -                | -                | 2.11             | -                                 | -                | -                | 2.11             | -  | 1.66              |
| 13      | Equity in earnings / (Losses) of affiliates                                 | -                               | -                | -                | -                | -                                 | -                | -                | -                | -  | 0.36              |
| 14      | <b>Net Profit (+ ) Loss (-) for the period (11-12+13)</b>                   | <b>0.06</b>                     | <b>22.69</b>     | <b>(0.79)</b>    | <b>(366.85)</b>  | <b>0.08</b>                       | <b>30.90</b>     | <b>(2.02)</b>    | <b>(920.15)</b>  | <b>(8.37)</b>                            | <b>(3,768.45)</b> |
| 15      | Paid-up Equity Share Capital - Face value of Rs.10 each                     | <b>3.53</b>                     | <b>1,539.19</b>  | <b>3.53</b>      | <b>1,539.16</b>  | <b>3.53</b>                       | <b>1,539.19</b>  | <b>3.53</b>      | <b>1,539.16</b>  | <b>3.53</b>                              | <b>1,539.19</b>   |
| 16      | Reserve excluding revaluation reserves                                      | -                               | -                | -                | -                | -                                 | -                | -                | -                | 31.59                                    | 13,466.82         |
| 17      | Earnings per share - Basic & Diluted & after extraordinary items            | -                               | 0.15             | (0.05)           | (2.39)           | 0.01                              | 0.20             | (0.13)           | (5.99)           | (0.55)                                   | (24.54)           |
|         | (Not annualised)  | (Not annualised)                | (Not annualised) | (Not annualised) | (Not annualised) | (Not annualised)                  | (Not annualised) | (Not annualised) | (Not annualised) | (Annualised)                             | (Annualised)      |
| 18      | Public shareholding   |                                 |                  |                  |                  |                                   |                  |                  |                  |  |                   |
|         | (a) Number of shares  |                                 | 5,752,731        |                  | 5,746,834        |                                   | 5,752,731        |                  | 5,746,834        |  | 5,746,834         |
|         | (b) Percentage of Share holding   |                                 | 37.46%           |                  | 37.42%           |                                   | 37.46%           |                  | 37.42%           |  | 37.42%            |

### Notes:

- In accordance with the recently amended Clause 41 of the Listing Agreement, the Company will henceforth be publishing only the consolidated financial statement. The standalone results of the Company have been filed with the Stock Exchanges and also posted in the website of the Company. Investors desirous of viewing the same can access the Company's website viz., www.ramco.com or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- The above results together with the Auditor's Limited Review Report thereon have been approved and taken on record at the Board Meeting held on 31st October, 2007.
- During the current quarter, the company completed the process of divestment of its entire stake in the subsidiary viz., Ramco Infotech Solutions Limited (RITS) and the transfer of that business to TVS Interconnect Systems Ltd., (TVS) with effect from 1st April, 2007. Consequent to this, the financial results of the company, on a consolidated basis for the current quarter as well as for the half year ended 30th September, 2007, (as also the for the figures pertaining to corresponding periods in the previous year), does not include the results of RITS. However the audited figures for the year ended 31st March, 2007 given above are inclusive of the figures pertaining to RITS. To make it comparable, the figures exclusive of RITS are as given below:-  
[(Sales = USD 47.18 mln. (Rs.21244.96 lacs); Total Expenses USD 53.08 mln.(Rs.23901.39 lacs); Interest = USD 2.91 mln. (Rs.1311.93 Lacs); Tax = USD 0.40 mln. (Rs.181.49 Lacs); Minority Interest - (Rs.1.66 Lacs); Equity in Earnings of Affiliates - (Rs.0.36 Lacs); Net Loss USD 8.24 mln (Rs.3711.92 Lacs)].
- In the perception of the Company, the provisioning for deferred tax asset/liability does not arise.
- The company currently operates only in one segment viz., Software Solutions & Services and hence the segment reporting as required by AS-17, issued by The Institute of Chartered Accountants of India does not apply.
- Status of investor grievance:

| Description          | Pending as on 01.07.07 | Received during the current quarter | Redressed during the current quarter | Pending as on 30.09.07 |
|----------------------|------------------------|-------------------------------------|--------------------------------------|------------------------|
| Number of Complaints | Nil                    | 2                                   | 2                                    | Nil                    |

- Figures for the previous periods have been regrouped/restated wherever necessary to make them comparable with the figures for the current period.

By Order of the Board  
For Ramco Systems Limited