

INDEPENDENT AUDITORS REPORT

To the members of Inspirisys Solutions Japan, Kabhushiki Kaisha

We have audited the attached Ind AS financial statement of Inspirisys Solutions Japan, Kabhushiki Kaisha (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31st March 2025 and the statement of Profit and Loss (including other comprehensive income), statement of cash flows and the statement of changes in Equity for the year ended and a summary of significant accounting policies and other explanatory statements. These financial statements have been prepared by the Company's management as per Ind AS Principles adopted in India for the purpose of consolidating the company's financials with that of the holding company.

Management's Responsibility for the Financials Statements

Management is responsible for the preparation of these financials statements that give a true and fair view of the state of affairs and results of operations of the company in accordance with the IND AS adopted in India; this includes the design implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair views and are free from material misstatement, whether due to fraud & error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the ICAI. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the audit procedure that are appropriate the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluation of the overall presentation of the financial statements.

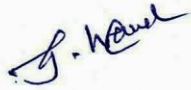


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give a true and fair view of the state of affairs of the company as at 31st March 2025, and its results of operation for the year then ended in accordance with the generally accepted accounting principles adopted in India for the year ended 31st March 2025.

For GCPP & Associates.,
Chartered Accountants
Firm Regn No: 028389S



G.Chandrasekaran
Partner
M.No: 208546
UDIN: **25208546BMJHKV4420**
Place : Chennai
Date : 8th May 2025

Inspirisys Solutions Japan , Kabhushiki Kaisha

Balance sheet as at 31 March 2025

(All figures are in Japanese Yen , unless otherwise stated)

Particulars	Notes	As at Mar 31 2025	As at Mar 31, 2024
ASSETS			
Current assets			
Financial assets			
- Cash and cash equivalents	2.1	3,17,124	3,17,101
Total		3,17,124	3,17,101
Assets Total		3,17,124	3,17,101
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.2	1,85,50,000	1,85,50,000
- Reserves and surplus	2.3	(1,97,23,459)	(23,34,59,251)
Total		(11,73,459)	(21,49,09,251)
Liabilities			
Current liabilities			
Financial liabilities			
- Borrowings	2.4	-	12,62,15,267
- Trade payables	2.5	-	8,75,20,114
- Other financial liabilities	2.6	14,90,583	14,90,971
TOTAL		14,90,583	21,52,26,352
Liabilities Total		3,17,124	3,17,101

Material Accounting Policies & Other Notes

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Notes to the Balance Sheet

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As per our report of even date

For GCPP & Associates. Chartered Accountants

Firm Registration No. : 028389S

For and on behalf of the Board



G Chandrasekaran

Partner

Membership No. 208546





Director



Director

Place: Chennai, India

Date : 08 , May 2025

Inspirisys Solutions Japan , Kabhushiki Kaisha

Statement of Profit and loss account for the Year ended 31 March 2025

(All figures are in Japanese Yen , unless otherwise stated)

Particulars	Notes	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Income			
Other income		21,93,83,007	-
Total revenue (I)		21,93,83,007	-
Expenses			
Other expenses	3.1	51,08,703	1,52,03,454
Total (II)		51,08,703	1,52,03,454
Earnings before interest, tax, depreciation and amortization (EBITDA)			
(I) – (II)		21,42,74,304	(1,52,03,454)
Depreciation and amortization expense			
Finance costs (Net)	3.2	5,38,512	5,59,847
Profit/(loss) before tax		21,37,35,792	(1,57,63,301)
Tax expense			
Current tax			
Deferred Tax			
Profit for the year		21,37,35,792	(1,57,63,301)
Other comprehensive income			
i) Items that will not be reclassified to profit and loss			
- Re-measurement of post employment benefit obligation, net			
- Income tax relating to items that will not be reclassified to profit and loss			
ii) Items that will be reclassified to profit or loss			
- Exchange difference on translation of continuing operations			
- Income tax relating to translation of foreign operations			
Other comprehensive income/ (loss) for the year, net of tax			
Total comprehensive income/ (loss) for the period		21,37,35,792	(1,57,63,301)



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As per our report of even date

For GCPP & Associates. Chartered Accountants
Firm Registration No. : 028389S

For and on behalf of the Board



G Chandrasekaran
Partner
Membership No. 208546


Director

Director

Place: Chennai, India
Date : 08 , May 2025

Inspirisys Solutions Japan , Kabhushiki Kaisha

Cash Flow Statement for the period

(All figures are in Japanese Yen , unless otherwise stated)

Particulars	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Cash flows from operating activities		
Net profit / (loss) for the year before tax	21,37,35,792	(1,57,63,301)
<i>Adjustment for:</i>		
Finance costs	5,38,512	5,59,847
Operating profit / (loss) before reinvestment of capital	21,42,74,304	(1,52,03,454)
Increase/(Decrease) in trade and other payables	(8,75,20,114)	1,05,93,694
Increase/(Decrease) in other current liabilities	(388)	(1,613)
Cash generated from / (used in) operations	12,67,53,802	(46,11,372)
Tax (paid)	-	-
Net cash flows from operating activities	12,67,53,802	(46,11,372)
Cash flows from investing activities:		
Net cash flows from/ (used in) investing activities	-	-
Cash flows from financing activities:		
Finance costs	(5,38,512)	(5,59,847)
Increase / (Decrease) in borrowings	(12,62,15,267)	51,27,125
Net cash flows from/ (used in) financing activities	(12,67,53,779)	45,67,278
Net Increase/(decrease) in cash & cash equivalents	23	(44,095)
Cash & cash equivalents at the beginning of the year	3,17,101	3,61,196
Cash & Cash equivalents at end of the period	3,17,124	3,17,101

As per our report of even date

For GCPP & Associates. Chartered Accountants
Firm Registration No. : 028389S

G Chandrasekaran
Partner
Membership No. 208546



For and on behalf of the Board

[Signature]
Director

[Signature]
Director

Place: Chennai, India
Date : 08 , May 2025

Inspirisys Solutions Japan , Kabhushiki Kaisha

Notes to the balance sheet as at 31 March 2025

(All figures are in Japanese Yen , unless otherwise stated)

Particulars	As at Mar 31 2025	As at Mar 31, 2024
2.1 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks - current accounts	3,17,124	3,17,101
Total	3,17,124	3,17,101
2.2 Share capital		
Issued, Subscribed & Paid up		
371 (March 31,2024:371) equity shares of JPY 50,000 each	1,85,50,000	1,85,50,000
2.3 Other Equity		
Securities premium reserve	79,05,000	79,05,000
General reserve	-	-
Retained earnings	(24,13,64,251)	(22,56,00,950)
Profit /(Loss) For The Year	21,37,35,792	(1,57,63,301)
Balance as at the end of the year	(2,76,28,459)	(24,13,64,251)
Total	(1,97,23,459)	(23,34,59,251)
2.4 Borrowings		
Current		
Unsecured		
Loans and advances from related parties	0	12,62,15,267
Total	0	12,62,15,267
2.5 Trade payables		
Dues to others	-	8,75,20,114
Total	-	8,75,20,114
2.6 Other financial liabilities		
Employee related payables	14,90,583	14,90,971
Total	14,90,583	14,90,971

Inspirisys Solutions Japan , Kabhushiki Kaisha

Notes to the Statement of Profit and Loss account for Year ended 31 March 2025

(All figures are in Japanese Yen , unless otherwise stated)

Particulars	Year ended 31 Mar 2025	Year ended 31 Mar 2024
3.1 Other income		
Interest income on Bank deposits		
Exchange differences (net)	-	
Other non-operating income	21,93,83,007	
Total	21,93,83,007	
3.1 Other expenses		
Legal and professional fees	-	-
Exchange differences (net)	51,08,727	1,51,60,972
Miscellaneous expenses	-24	42,482
Total	51,08,703	1,52,03,454
3.2 Finance costs		
Interest on Borrowings	5,38,512	5,59,847
Total	5,38,512	5,59,847

1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2025

(All figures are in Japanese Yen , unless otherwise stated)

1.1. Legal status and business activity:

Inspirisys Solutions KABUSHIKI KAISHA, a company incorporated under the laws of JAPAN in Tokyo. The company was acquired as a wholly owned subsidiary by Inspirisys Solutions Limited, effective January 01, 2008. The company is primarily engaged in rendering software services.

1.2. Tangible Assets:

a) Cost: The tangible assets represent Computers & Peripherals and stated at cost. Cost includes all expenses directly attributable to bringing the asset to its

1.3. Changes in equity:

Particulars	Issued Capital/ Share application Money	Accumulated Profit/(loss)	Total
Balance as on March 31, 2024	2,64,55,000	(24,13,64,251)	(21,49,09,251)
Profit/(Loss) for the year ended March 31, 2025		21,37,35,792	21,37,35,792
Balance as on March 31 2025	2,64,55,000	(2,76,28,459)	(11,73,459)

1.4. REVENUE RECOGNITION:

Revenue is generally accounted for on accrual basis and is recognized as follows:

a) Services: Revenue is recognized over the period in which the service is provided.

b) Software services:

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

Revenue from fixed-price and fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

1.5. RELATED PARTIES TRANSACTION

Name of the Party	Nature of Relationship
Inspirisys Solutions Limited	Holding company
CAC Holdings Corporation Japan	Ultimate Holding company
Inspirisys Solutions North America Inc	Fellow Subsidiary
Network Programs USA INC. USA	Fellow Subsidiary
CAC Corporation , Japan	Associate Company

KEY MANAGERIAL PERSONNEL:

Mr R Balaji	Director
Mr Reni Don Rozario	Director

1.6. RELATED PARTY INTEREST IN CONTRACTS:

The key persons of the company are neither directly nor indirectly interested in any contract with the company.

1.7. The transactions with its related parties are as follows :

Particulars	Ultimate Holding Company	Fellow Subsidiary
Payables	(8,84,82,958)	(12,52,52,810)

Basis the request for waiver of loans payable and trade payables, the lenders and creditors have given their consent for the waiver and accordingly, the loans received and the trade payable to related parties have been written back to the profit and loss account during the year.

Note: Item under parenthesis represent previous year figures

1.8. Capital Commitments:

The Company has no capital commitments, which would require disclosure as at March 31, 2025

1.9. Contingent Liabilities:

There are no contingent liabilities as at the balance sheet date, which would require provision or disclosure.

1.10. Earning per Share

The earnings considered in ascertaining the company's basic and diluted earnings per share comprise of the net profit/(loss) after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing the diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of shares if any which would have been issued on the conversion of all dilutive potential equity shares.

1.11. Measurement of EBITDA

The company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement does not include depreciation and amortization expense, finance costs and tax expense

1.12. Operations Discontinued

Inspirisys Solutions Kabushiki Kaisha, Japan (ISJKK) is a wholly owned subsidiary of the Inspirisys Solutions Limited (Holding company) .The board of directors of the holding company in their meeting held on 07th February 2025, given its consent and approved for initiating the process of voluntary liquidation of ISJKK. This decision has been taken in the interest of the group, since it had been inactive for a considerable period and is not currently engaged in any business operations with no foreseeable business opportunities or prospects that could ensure the revival or growth of ISJKK. The company has also filed its liquidation application with the respective authorities.

1.13. Comparative Figures:

The previous year's balances have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

As per our report attached

For GCPP & Associates. Chartered Accountants
Firm Registration No. : 0283895

G Chandrasekaran
Partner
Membership No. 208546

Place: Chennai, India
Date : 08, May 2025



For and on behalf of the Board


Director

Director