

M.R.NARAIN & CO.,

CHARTERED ACCOUNTANTS

No. 1, Mahalingam Street, Mahalingapuram, Chennai - 600 034.
Tel: 91 - 44 - 4308 1246, 4308 1247. E-mail : email@mrnarain.net

INDEPENDENT AUDITORS REPORT

To the members of Inspirisys Solutions Europe Limited.

We have audited the attached Ind As financial statement of **Inspirisys Solutions Europe Limited** (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31st March 2024 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 2024, and its results of operation for the year then ended in accordance with the generally accepted accounting principles adopted in India subject to note no.1.10 to the financial statements for the year ended 31st March 2024.

For **M.R.Narain & Co.**,
Chartered Accountants
Firm Regn No: 002330S

G. Chandrasekaran



G.Chandrasekaran

Partner

M.No: 208546

UDIN: **24208546BKFHZX4829**

Place : Chennai

Date : 9th May 2024

Inspirisys Solutions Europe Limited

Balance sheet as at 31 March 2024

(All amounts in GBP, unless otherwise stated)

Particulars	Notes	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
Non-current assets			
Financial assets			
- Other financial assets	2.1	-	184
Other non-current assets	2.2	-	544
Total		-	728
Current assets			
Financial assets			
- Cash and cash equivalents	2.3	896	265
Total		896	265
Assets Total		896	992
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.4	19,500	19,500
- Reserves and surplus	2.5	(3,55,378)	(3,60,557)
Total		(3,35,878)	(3,41,057)
Current liabilities			
Financial liabilities			
- Borrowings	2.6	3,31,132	3,36,942
- Other financial liabilities	2.7	5,642	5,107
TOTAL		3,36,774	3,42,049
Liabilities Total		896	992

Significant Accounting Policies & Other Notes

1

Notes to the Balance Sheet

2

As per our report of even date

For M R Narain & Co. Chartered Accountants

Firm Registration No. : 0023305

For and on behalf of the Board

G. Narain

G Chandrasekaran
Partner

Membership No. 208546



R. Babji
Director

P. M.
Director

Place: Chennai, India

Date : 09, May 2024

Inspirisys Solutions Europe Limited

Balance sheet as at 31 March 2024

Statement of Profit and loss account for the Year ended 31 March 2024

(All amounts in GBP, unless otherwise stated)

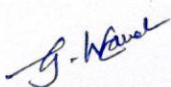
Particulars	Notes	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Continuing operations			
Income			
Revenue from operations			
Other income	3.1	5,810	
Total revenue (I)		5,810	
Expenses			
Other expenses	3.2	631	38,272
Total (II)		631	38,272
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)		5,179	(38,272)
Depreciation and amortization expense			
Finance costs (Net)			
Profit/(loss) before tax		5,179	(38,272)
Profit/(loss) for the year from continuing operations		5,179	(38,272)

Significant Accounting Policies & Other Notes	1
Notes to the Statement of Profit and Loss Account	3
As per our report of even date	

For M R Narain & Co. Chartered Accountants

Firm Registration No. : 002330S

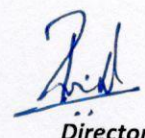
For and on behalf of the Board



G Chandrasekaran

Partner

Membership No. 208546


Director
Director

Place: Chennai, India

Date : 09, May 2024

Inspirisys Solutions Europe Limited

Cash Flow Statement for the period

(All amounts in GBP , unless otherwise stated)

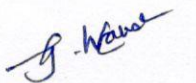
Particulars	Year ended 31 Mar 2023	Year ended 31 Mar 2023
Cash flows from operating activities		
Net profit / (loss) for the year before tax Adjustment for:	5,179	(38,272)
Finance cost	-	-
Operating profit / (loss) before reinvestment of capital	5,179	(38,272)
(Increase)/Decrease in Trade receivables	-	-
(Increase)/Decrease in current assets	728	(149)
Increase/(Decrease) in trade and other payables	(5,275)	38,272
Cash generated from / (used in) operations	631	(149)
Tax (paid)	-	-
Net cash flows from operating activities	631	(149)
Cash flows from financing activities:		
Loan received/(repaid)	-	-
Net cash flows from/ (used in) financing activities	-	-
Net Increase/(decrease) in cash & cash equivalents	631	(149)
Cash & cash equivalents at the beginning of the year	265	414
Cash & Cash equivalents at end of the year	896	265

As per our report of even date

For M R Narain & Co. Chartered Accountants

Firm Registration No. : 0023305

For and on behalf of the Board



G Chandrasekaran
Partner

Membership No. 208546




Director


Director

Place: Chennai, India

Date : 09 , May 2024

Inspirisys Solutions Europe Limited

Notes to the balance sheet as at 31 March 2024

(All amounts in GBP , unless otherwise stated)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Assets		
2.1 Other financial assets		
Non Current		
Rental deposit	-	184
Total	<u>-</u>	<u>184</u>
2.2 Other non-current assets		
Balances with government authorities	-	544
Total	<u>-</u>	<u>544</u>
2.3 Cash and bank balances		
Cash and cash equivalents		
Balances with banks - current accounts	896	265
Total	<u>896</u>	<u>265</u>
2.4 Share capital		
Issued, Subscribed & Paid up		
19500 (March 31,2023:19500) equity shares of GBP 1/- each	19,500	19,500
2.5 Other Equity		
General reserve		
Retained earnings	(3,60,557)	(3,22,285)
Profit /(Loss) For The Year	5,179	(38,272)
Balance as at the end of the year	<u>(3,55,378)</u>	<u>(3,60,557)</u>
Total	<u>(3,55,378)</u>	<u>(3,60,557)</u>
2.6 Borrowings		
Current		
Unsecured		
Loans and advances from related parties	3,31,132	3,36,942
Total	<u>3,31,132</u>	<u>3,36,942</u>
2.7 Other financial liabilities		
Other accrued liabilities	5,642	5,107
Total	<u>5,642</u>	<u>5,107</u>

Inspirisys Solutions Europe Limited

Notes to the Statement of Profit and Loss account for the year ended 31 March 2024

(All amounts in GBP , unless otherwise stated)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
3.1 Other income		
Interest income on Bank deposits		
Exchange Gain	5,810	
Liability no longer required written back		
Total	<u>5,810</u>	<u>-</u>
3.2 Other expenses		
Rent	7	2,459
Travelling and conveyance	-	1,361
Printing and stationery	-	-
Legal and professional fees	480	18,909
Exchange differences (net)	-	15,375
Miscellaneous expenses	144	168
Total	<u>631</u>	<u>38,272</u>

Inspirisys Solutions Europe Limited

1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2024

(All amounts in GBP, unless otherwise stated)

1.1 Legal status and business activity:

Inspirisys Solutions Europe Limited, UK, a company incorporated under the laws of UK. The company is primarily engaged in rendering software services.

1.2 Changes in equity:

Particulars	Issued Capital/ Share application Money	Accumulated Profit/(loss)	Total
Balance as on March 31, 2023	19,500	(3,60,557)	(3,41,057)
Profit/(Loss) for the Quarter ending December 31, 2023	-	5,179	5,179
Balance as on December 31, 2023	19,500	(3,55,378)	(3,35,878)

1.3. 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.

1.4. RELATED PARTIES TRANSACTION

Name of the Party

Inspirisys Solutions Limited
Inspirisys Solutions North America Inc
Network Programs USA, Inc.

Nature of Relationship

Holding company
Fellow Subsidiary
Fellow Subsidiary

KEY MANAGERIAL PERSONNEL:

Mr. Murali Gopalakrishnan

Mr. R Balaji (Appointed 01 July 2023)

Mr Reni Don Rozario

Director

Director

Director

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

	Company	Subsidiary
Payables	54,643	2,76,489
	(54,643)	(2,82,299)

Note: Item under parenthesis represent previous year figures (31 March 2023)

1.6. Capital Commitments:

The Company has no capital commitments, which would require disclosure as at March 31, 2024

1.7. Contingent Liabilities:

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

1.8. 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.

1.9. 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

1.10. Going Concern

The Company incurred a net Profit of GBP 0.05 lakhs during the Year ended March 31, 2024 , as of that date, the Company's current liabilities exceeded its total assets by GBP 3.36 Lakhs. However, the long term liabilities and current liabilities are predominantly due to Ultimate Holding Company and fellow subsidiary Companies. The Management of the Holding Company is confident of infusing capital into the Company after getting necessary approval from the regulatory authorities to repay the debts and liabilities of the company and this will enable the company to operate as a Going Concern. Accordingly, no adjustments have been made to the carrying amount of the assets and liabilities and these financial statements have been prepared using the going concern concept.

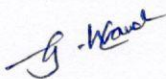
1.11. Comparative Figures:

Previous year figures have been regrouped / reclassified wherever necessary to conform with current year presentation.

As per our report attached

For M R Narain & Co. Chartered Accountants

Firm Registration No. : 0023305



G Chandrasekaran
Partner
Membership No. 208546



For and on behalf of the Board


Director


Director

Place: Chennai, India
Date : 09 , May 2024