

INDEPENDENT AUDITOR'S REPORT

To the members of Inspirisys Solutions North America

We have audited the attached Ind As financial statement of Inspirisys Solutions North America (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31st March 2020 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 Financial Statements

Management is responsible for the preparation of these financial 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 or error.

Auditor's Responsibility

Our responsibility 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 judgment, 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 consider 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 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 2020, and of its results of operations for the year then ended in accordance with Generally Accepted Accounting Principles adopted in India.

For S K Ram Associates
Chartered Accountants
ICAI Firm Registration Number: 2842S

Sd /-

R. Balaji
Membership Number: 202916
Place of Signature: Chennai
Date: 31st May 2020

Inspirisys Solutions North America Inc., (Formerly Accel North America Inc.,)

Audited Balance sheet as at 31st Mar 2020

(All amounts in USD lakhs, unless otherwise stated)

	Notes	As at Mar 31, 2020	As at Mar 31, 2019
Assets			
Non-current assets			
Property, plant and equipment		0.02	0.05
Financial assets			
- Other financial assets	2.1	0.04	0.03
Total		0.06	0.08
Current assets			
Financial assets			
- Trade receivables	2.2	7.45	8.26
- Cash and cash equivalents	2.3	3.34	5.90
- Loans	2.4	13.39	11.11
Other current assets	2.5	2.60	3.92
Total		26.78	29.19
Assets Total		26.84	29.27
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.6	6.55	6.55
Other equity			
- Reserves and surplus	2.7	(31.85)	(27.23)
Total		(25.30)	(20.68)
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	2.8	9.75	9.75
Total		9.75	9.75
Current liabilities			
Financial liabilities			
- Borrowings	2.9	0.00	0.17
- Trade payables	2.10	41.25	37.90
- Other financial liabilities	2.11	0.74	1.71
Other current liabilities	2.12	0.40	0.42
TOTAL		42.39	40.20
Liabilities Total		26.84	29.27

Significant Accounting Policies & Other Notes

1

Notes to the Balance Sheet

2

As per our report of even date

For S K RAM ASSOCIATES

Firm Registration No.2842S

Chartered Accountants

Sd/-

R.Balaji

Membership No.202916

For and on behalf of the Board

Sd/-

Sd/-

Director

Director

Place: Chennai, India

Date : 31st May 2020

Inspirisys Solutions North America Inc., (Formerly Accel North America Inc.,)

Audited Statement of Profit and loss account for Financial year ended 31st Mar 2020

(All amounts in USD lakhs, unless otherwise stated)

	Notes	31 Mar 2020	31 Mar 2019
Continuing operations			
Income			
Revenue from operations	3.1	42.59	48.37
Other income	3.2	0.17	0.06
Total revenue (I)		42.76	48.43
Expenses			
Cost of Services	3.3	14.76	17.31
Employee benefit expenses	3.4	27.05	26.37
Other expenses	3.5	4.96	6.96
Total (II)		46.77	50.64
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		(4.01)	(2.21)
Depreciation and amortization expense	3.6	0.03	0.06
Finance costs (Net)	3.7	0.58	0.56
Profit/(loss) before tax		(4.62)	(2.83)
Profit/(loss) for the year from continuing operations		(4.62)	(2.83)
Significant Accounting Policies & Other Notes	1		
Notes to the Statement of Profit and Loss Account	3		

As per our report of even date

For S K RAM ASSOCIATES

Firm Registration No.2842S

Chartered Accountants

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

Director

Director

R.Balaji

Membership No.202916

Place: Chennai, India

Date : 31st May 2020

Inspirisys Solutions North America Inc., (Formerly Accel North America Inc.,)

	As at Mar 31, 2020	As at Mar 31, 2019
2. Notes to the balance sheet for Financial year ended 31st Mar 2020		
<i>(All amounts in USD lakhs, unless otherwise stated)</i>		
Assets		
2.1 Other financial assets		
Non Current		
Rental deposit	0.03	0.03
Less: Provision for Doubtful		
Total	0.03	0.03
2.2 Trade receivables		
Current		
Considered good	7.46	8.26
Considered doubtful		
	7.46	8.26
Less:Provision for doubtful receivables		
Total	7.46	8.26
2.3 Cash and bank balances		
Cash and cash equivalents		
Balances with banks - current accounts	3.34	5.90
Total	3.34	5.90
2.4 Loans		
Long term		
Loans and advances to related parties (Also, refer note xx)		
Considered good	13.39	11.11
Considered doubtful		
Total	13.39	11.11
2.5 Other current assets		
Unbilled revenue	2.41	3.75
Prepaid expenses	0.14	0.13
Employee advances	0.05	0.04
Total	2.60	3.92

Inspirisys Solutions North America Inc., (Formerly Accel North America Inc.,)

	As at Mar 31, 2020	As at Mar 31, 2019
2. Notes to the balance sheet for Financial year ended 31st Mar 2020		
<i>(All amounts in USD lakhs, unless otherwise stated)</i>		
2.6 Share capital		
Issued, Subscribed & Paid up		
655,000 (March 31,2019:655,000) equity shares of 1 USD each	6.55	6.55
2.7 Other Equity		
General reserve		
Retained earnings	(27.23)	(24.40)
Profit/(Loss) For The Year	(4.62)	(2.83)
Balance as at the end of the year	(31.85)	(27.23)
Total	(31.85)	(27.23)
2.8 Borrowings		
Non-current		
Unsecured		
Loans and advances from related parties	9.75	9.75
Total	9.75	9.75
2.9 Current		
Secured:		
-Cash credit	0.00	0.17
Total	0.00	0.17
2.10 Trade payables		
Dues other than MSMED	41.24	37.90
Total	41.24	37.90
2.11 Other financial liabilities		
Other accrued liabilities	0.74	1.72
Total	0.74	1.72
2.12 Other current liabilities		
Statutory dues payable	0.40	0.42
Total	0.40	0.42

31 Mar 2020 31 Mar 2019

3 Notes to the Statement of Profit and Loss account for Financial year ended 31st Mar 2020

(All amounts in USD lakhs, unless otherwise stated)

3.1 Revenue from operations			
Sale of services		42.59	48.37
Revenue from operations (net)		42.59	48.37
3.2 Other income			
Other non-operating income		0.17	0.06
Total		0.17	0.06
3.3 Cost of Services			
Sub-contracting and outsourcing cost		14.76	17.31
Total		14.76	17.31
3.4 Employee benefits expense			
Salaries, wages and bonus		27.05	26.37
Total		27.05	26.37
3.5 Other expenses			
Rent		0.44	0.47
Insurance		0.09	0.09
Rates and taxes		0.12	0.21
Communication costs		0.02	0.01
Travelling and conveyance		0.30	0.40
Freight and forwarding		-	0.00
Legal and professional fees		3.31	5.24
Advertising and sales promotion		0.03	0.05
Miscellaneous expenses		0.65	0.38
Total		4.96	6.85
3.6 Depreciation and amortization expense			
Depreciation of tangible assets		0.03	0.06
Total		0.03	0.06
3.7 Finance costs			
Interest		0.58	0.56
Bank charges & Commission			
Total		0.58	0.56