

INDEPENDENT AUDITOR'S REPORT

To the members of Inspirisys Solutions and Technologies Europe Limited, UK

We have audited the attached Ind As financial statement of Inspirisys Solutions and Technologies Europe Limited, UK (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31st March 2022 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 2022, 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: 28425

Sd/-

R. Balaji
Membership Number: 202916
UDIN: 22202916AINLVV1832
Place of Signature: Chennai
Date: 6th May 2022

Inspirisys Solutions Europe Limited

Audited Balance sheet as at 31st Mar'22

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	Notes	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment			
Financial assets			
- Other financial assets	2.1	0.00	0.01
Other non-current assets	2.2	0.01	0.00
Total		0.01	0.01
Current assets			
Financial assets			
- Cash and cash equivalents	2.3	0.00	0.00
Total		0.00	0.00
Assets Total		0.01	0.01
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.4	0.20	0.20
- Reserves and surplus	2.5	(3.22)	(2.86)
Total		(3.02)	(2.66)
Liabilities			
Non-current liabilities			
- Borrowings	2.6	2.96	2.62
Total		2.96	2.62
Current liabilities			
Financial liabilities			
- Other financial liabilities	2.7	0.07	0.05
TOTAL		0.07	0.05
Liabilities Total		0.01	0.01

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

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

Director

Director

R.Balaji

Membership No.202916

Place: Chennai, India

Date : 6th May 22

Inspirisys Solutions Europe Limited

Audited Statement of Profit and loss account for Financial year ended 31st Mar 2022

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Continuing operations			
Income			
Revenue from operations		-	-
Other income	3.1	-	0.22
Total revenue (I)		-	0.22
Expenses			
Other expenses	3.2	0.37	0.22
Total (II)		0.37	0.22
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		(0.37)	0.00
Depreciation and amortization expense		-	-
Finance costs (Net)		-	-
Profit/(loss) before tax		(0.37)	0.00
Profit/(loss) for the year from continuing operations		(0.37)	0.00

Significant Accounting Policies & Other Notes	1
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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 : 6th May 22

Inspirisys Solutions Europe Limited

Cash Flow Statement for the period

(All amounts in GBP in lakhs, unless otherwise stated)

Particulars	For the year ended 31· For the year ended 31·	
	03-2022	03-2021
<u>Cash flows from operating activities</u>		
Net profit / (loss) for the year before tax Adjustment for:	(0.37)	0.00
Finance cost	-	0.00
Operating profit / (loss) before reinvestment of capital	(0.37)	0.01
(Increase)/Decrease in Trade receivables	-	-
(Increase)/Decrease in current assets	(0.00)	0.02
Increase/(Decrease) in trade and other payables	0.02	(0.01)
Cash generated from / (used in) operations	(0.34)	0.02
Tax (paid)		
Net cash flows from operating activities	(0.34)	0.02
Cash flows from financing activities:		
Loan received/(repaid)	0.34	(0.03)
Net cash flows from/ (used in) financing activities	0.34	(0.03)
Net Increase/(decrease) in cash & cash equivalents	(0.01)	(0.01)
Cash & cash equivalents at the beginning of the year	0.00	0.01
Cash & Cash equivalents at end of the year	(0.00)	0.00

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/-

R.Balaji

Membership No.202916

Sd/-

Director

Sd/-

Director

Place: Chennai, India

Date : 6th May 22

Inspirisys Solutions Europe Limited

2. Notes to the balance sheet for Financial year ended 31st Mar 2022

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Assets		
2.1 Other financial assets		
Non Current		
Security deposits		
Rental deposit	0.00	0.01
Total	0.00	0.01
2.2 Other non-current assets		
Balances with government authorities	0.01	0.01
Prepaid expenses	0.00	0.00
Total	0.01	0.01
2.3 Cash and bank balances		
Cash and cash equivalents		
Balances with banks - current accounts	0.00	0.00
Total	0.00	0.00
2.4 Share capital		
Issued, Subscribed & Paid up		
19500 (March 31,2019:19500) equity shares of GBP 1/- each	0.20	0.20
2.5 Other Equity		
General reserve		
Retained earnings	(2.86)	(2.86)
Profit /(Loss) For The Year	(0.37)	0.00
Balance as at the end of the year	(3.22)	(2.86)
Total	(3.22)	(2.86)
2.6 Borrowings		
Non-current		
Secured		
Finance lease obligations		
Unsecured		
Loans and advances from related parties	2.96	2.62
Total	2.96	2.62
2.7 Other financial liabilities		
Other accrued liabilities	0.07	0.05
Total	0.07	0.05

Inspirisys Solutions Europe Limited

3. Notes to the Statement of Profit and Loss account for Financial year ended 31st Mar 2022

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
3.1 Other income		
Interest income on Bank deposits		
Other non-operating income		0.21
Liability no longer required written back	-	0.01
Total	-	0.22
3.2 Other expenses		
Rent	0.02	0.03
Communication costs	-	0.00
Travelling and conveyance	0.03	0.00
Printing and stationery	-	-
Legal and professional fees	0.20	0.19
Exchange differences (net)	0.12	-
Miscellaneous expenses	0.00	
Total	0.37	0.22

Inspirisys Solutions Europe Limited

1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2022

(All amounts in GBP in lacs, 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, 2021	0.20	(2.86)	(2.66)
Profit/(Loss) for the year ending Mar 31, 2022	-	(0.37)	(0.37)
Balance as on March 31, 2022	0.20	(3.22)	(3.03)

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	Nature of Relationship
Inspirisys Solutions Limited	Holding company
Inspirisys Solutions North America Inc	Fellow Subsidiary
Network Programs USA, Inc.	Fellow Subsidiary

KEY MANAGERIAL PERSONNEL:

Mr. Malcolm F. Mehta	Director
Mr. V. Mohan Nair	Director
Mr. Milind Kalurkar	Director

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

Particulars	Holding Company	Fellow Subsidiary
Payables	0.54	2.41
	(0.54)	(2.08)

Note: Item under parenthesis represent previous year figures

1.6. RELATED PARTY INTEREST IN CONTRACTS:

Mr. V.Mohan Nair - Director

Mr. V. Mohan Nair, Director is also a director in V2S Enablers Ltd, which provides marketing services to the company on the normal commercial terms.

1.7. Capital Commitments:

The Company has no capital commitments, which would require disclosure as at March 31, 2022

1.8. Contingent Liabilities:

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

1.9. 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.

1.10. 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

1.11. Comparative Figures:

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

As per our report attached

For S K RAM ASSOCIATES
Chartered Accountants
Firm Registration No.2842S

For and on behalf of the Board

Sd/-

R.Balaji

Membership No.202916

Place: Chennai, India

Date : 6th May 22

Sd/-

Director

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Director