

## **INDEPENDENT AUDITOR'S REPORT**

To the members of Inspirisys Solutions Europe Ltd, UK

We have audited the attached Ind As financial statement of Inspirisys Solutions Europe Ltd, UK (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2021 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.

# **S K RAM ASSOCIATES**

Chartered Accountants  
Old No. 57/2, New No. 103  
P.S. Sivaswamy Salai, Mylapore  
Chennai 600 004. INDIA  
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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 31<sup>st</sup> March 2021, 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

  
**R. Balaji**  
Membership Number: 202916  
Place of Signature: Chennai  
Date: 05<sup>th</sup> May 2021



**Inspirisys Solutions Europe Limited**

**Audited Balance sheet as at 31st Mar 2021**

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	Notes	As at Mar 31, 2021	As at Mar 31, 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment			
Financial assets			
- Other financial assets	2.1	0.01	0.01
Other non-current assets	2.2	0.00	0.02
<b>Total</b>		<b>0.01</b>	<b>0.03</b>
<b>Current assets</b>			
Financial assets			
- Trade receivables	2.3	0.00	0.00
- Cash and cash equivalents	2.4	0.00	0.01
<b>Total</b>		<b>0.00</b>	<b>0.01</b>
<b>Assets Total</b>		<b>0.01</b>	<b>0.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	2.5	0.20	0.20
- Reserves and surplus	2.6	(2.86)	(2.86)
<b>Total</b>		<b>(2.66)</b>	<b>(2.66)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
- Borrowings	2.7	2.62	2.64
<b>Total</b>		<b>2.62</b>	<b>2.64</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	2.8	-	0.00
- Other financial liabilities	2.9	0.05	0.06
<b>TOTAL</b>		<b>0.05</b>	<b>0.06</b>
<b>Liabilities Total</b>		<b>0.01</b>	<b>0.04</b>
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

  
R. Balaji

Membership No.202916

Place: Chennai, India

Date : 05th May 2021

**For and on behalf of the Board**

  
Director

  
Director

Inspirisys Solutions Europe Limited

Audited Statement of Profit and loss account for Financial year ended 31st Mar 2021

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31-03-2021	For the year ended 31- 03-2020
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations	3.1	-	-
Other income	3.2	0.22	-
<b>Total revenue (I)</b>		<b>0.22</b>	<b>-</b>
<b>Expenses</b>			
Cost of Services	3.3	-	-
Other expenses	3.4	0.22	0.56
<b>Total (II)</b>		<b>0.22</b>	<b>0.56</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)</b>		<b>0.00</b>	<b>(0.56)</b>
Depreciation and amortization expense	3.5	-	-
Finance costs (Net)	3.6	-	0.00
<b>Profit/(loss) before tax</b>		<b>0.00</b>	<b>(0.56)</b>
<b>Profit/(loss) for the year from continuing operations</b>		<b>0.00</b>	<b>(0.56)</b>
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

  
R. Balaji  
Membership No.202916

Place: Chennai, India

Date : 05th May 2021

For and on behalf of the Board

  
Director

  
Director



**Inspirisys Solutions Europe Limited**

**Cash Flow Statement for the period**

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

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
<b>Cash flows from operating activities</b>		
Net profit / (loss) for the year before tax Adjustment for:	0.00	(0.56)
Finance cost	0.00	0.00
<b>Operating profit / (loss) before reinvestment of capital</b>	<b>0.01</b>	<b>(0.56)</b>
(Increase)/Decrease in Trade receivables	-	-
(Increase)/Decrease in current assets	0.02	(0.01)
Increase/(Decrease) in trade and other payables	(0.01)	(0.34)
<b>Cash generated from / (used in) operations</b>	<b>0.02</b>	<b>(0.91)</b>
Tax (paid)		
<b>Net cash flows from operating activities</b>	<b>0.02</b>	<b>(0.91)</b>
<b>Cash flows from financing activities:</b>		
Loan received/(repaid)	(0.03)	0.91
<b>Net cash flows from/(used in) financing activities</b>	<b>(0.03)</b>	<b>0.91</b>
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>	<b>(0.01)</b>	<b>0.00</b>
Cash & cash equivalents at the beginning of the year	0.01	0.01
<b>Cash &amp; Cash equivalents at end of the year</b>	<b>0.00</b>	<b>0.01</b>

*As per our report of even date*

**For S K RAM ASSOCIATES**

**Firm Registration No.28425**

*Chartered Accountants*



**R. Balaji**

**Membership No.202916**

Place: Chennai, India

Date : 05th May 2021

**For and on behalf of the Board**

**M Mehta**  
Director

**D. Sankar**  
Director

Inspirisys Solutions Europe Limited

**2. Notes to the balance sheet for Financial year ended 31st Mar 2021**

(All amounts in GBP lakhs, unless otherwise stated)

Particulars	As at Mar 31, 2021	As at Mar 31, 2020
<b>Assets</b>		
<b>2.1 Other financial assets</b>		
<b>Non Current</b>		
Security deposits	0.01	0.01
Rental deposit	0.01	0.01
<b>Total</b>	<b>0.01</b>	<b>0.01</b>
<b>2.2 Other non-current assets</b>		
Balances with government authorities	0.00	0.01
Prepaid expenses	0.00	0.01
<b>Total</b>	<b>0.00</b>	<b>0.02</b>
<b>2.3 Trade receivables</b>		
<b>Current</b>		
Considered good	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>2.4 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks - current accounts	0.00	0.01
<b>Total</b>	<b>0.00</b>	<b>0.01</b>
<b>2.5 Share capital</b>		
<b>Issued, Subscribed &amp; Paid up</b>		
19500 (March 31,2019:19500) equity shares of GBP 1/- each	0.20	0.20
<b>2.6 Other Equity</b>		
<b>General reserve</b>		
Retained earnings	(2.86)	(2.30)
Profit /(Loss) For The Year	0.00	(0.56)
<b>Balance as at the end of the year</b>	<b>(2.86)</b>	<b>(2.86)</b>
<b>Total</b>	<b>(2.86)</b>	<b>(2.86)</b>
<b>2.7 Borrowings</b>		
<b>Non-current</b>		
<b>Secured</b>		
Finance lease obligations		
<b>Unsecured</b>		
Loans and advances from related parties	2.62	2.64
<b>Total</b>	<b>2.62</b>	<b>2.64</b>
<b>2.8 Trade payables</b>		
Dues to micro and small enterprises*	0.00	
Dues other than MSMED	0.00	0.00
<b>Total</b>	<b>-</b>	<b>0.00</b>
<b>2.9 Other financial liabilities</b>		
Other accrued liabilities	0.05	0.06
<b>Total</b>	<b>0.05</b>	<b>0.06</b>

Inspirisys Solutions Europe Limited**3. Notes to the Statement of Profit and Loss account for Financial year ended 31st Mar 2021***(All amounts in GBP lakhs, unless otherwise stated)*

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
<b>3.1 Revenue from operations</b>	-	-
Sale of services	-	-
<b>Revenue from operations (net)</b>	-	-
<b>3.2 Other income</b>		
Interest income on Bank deposits		
Other non-operating income	0.21	
Liability no longer required written back	0.01	
<b>Total</b>	<b>0.22</b>	-
<b>3.3 Cost of Services</b>		
Sub-contracting and outsourcing cost	-	-
	-	-
<b>3.4 Other expenses</b>		
Rent	0.03	0.04
Communication costs	0.00	0.01
Travelling and conveyance	0.00	0.00
Printing and stationery	-	0.00
Legal and professional fees	0.19	0.21
Exchange differences (net)	-	0.30
<b>Total</b>	<b>0.22</b>	<b>0.56</b>
<b>3.5 Depreciation and amortization expense</b>		
Depreciation of tangible assets	-	-
Amortization of intangible assets	-	-
<b>Total</b>	-	-
<b>3.6 Finance costs</b>		
Interest	-	0.00
Bank charges & Commission	-	-
Exchange Fluctuation in Foreign exchange	-	-
<b>Total</b>	-	<b>0.00</b>

## Inspirisys Solutions Europe Limited

### 1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2021,

(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.

During the year the company did not have any revenue due to the impact of Covid19

#### 1.2 Changes in equity:

Particulars	Issued Capital/ Share application Money	Accumulated Profit/(loss)	Total
Balance as on March 31, 2020	0.20	(2.86)	(2.66)
Profit/(Loss) for the year ending Mar 31, 2021	-	0.00	0.00
Balance as on March 31, 2021	0.20	(2.86)	(2.66)

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

Director  
Director  
Director



1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2021,

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

Particulars	Holding Company	Fellow Subsidiary
Payables	0.54	2.08
	(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, 2021

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

R.Balaji  
Membership No.202916

Place: Chennai, India  
Date : 05th May 2021

For and on behalf of the Board

M. Melite. P. Paulraj  
Director Director