

INDEPENDENT AUDITORS REPORT

To the members of Network Programs USA Inc.,

We have audited the attached Ind AS financial statement of Network Program USA Inc (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 subject to note no.1.12 to the financial statements for the year ended 31st March 2025.

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



G.Chandrasekaran
Partner
M.No: 208546
UDIN: **25208546BMJHKX2762**
Place : Chennai
Date : 8th May 2025

Network Programs USA Inc.

Balance sheet as at 31 March 2025

(All amounts in USD , unless otherwise stated)

Particulars	Notes	As at Mar 31, 2025	As at Mar 31, 2024
ASSETS			
Current assets			
Financial assets			
- Trade receivables	2.1	-	5,78,466
- Other Loans and Advances		6,000	25,395
- Cash and cash equivalents	2.2	2,953	3,013
Total		8,953	6,06,874
Assets Total		8,953	6,06,874
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.3	50,000	50,000
- Reserves and surplus	2.4	(13,23,226)	(6,97,252)
Total		(12,73,226)	(6,47,252)
Liabilities			
Current liabilities			
- Borrowings	2.5	9,83,211	9,39,370
- Trade payables	2.6	2,34,616	2,34,616
- Other financial liabilities	2.7	64,352	80,140
TOTAL		12,82,179	12,54,126
Liabilities Total		8,953	6,06,874

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



G Chandrasekaran
Partner

Membership No. 208546

R. Babaji
Director

P. Jid
Director

Place: Chennai, India

Date : 08, May 2025

Network Programs USA Inc.

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

(All amounts in USD , unless otherwise stated)

Particulars	Notes	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Income			
Revenue from operations			
Total revenue (I)		-	-
Expenses			
Other expenses	3.1	6,00,897	5,319
Total (II)		6,00,897	5,319
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		(6,00,897)	(5,319)
Finance costs (Net)	3.2	25,077	26,995
Profit/(loss) before tax		(6,25,974)	(32,314)
Tax expense			
Current tax			
Deferred Tax			
Profit / (loss) for the year		(6,25,974)	(32,314)

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	(6,25,974)	(32,314)
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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

G Chandrasekaran

Partner

Membership No. 208546



R. Babaji

Director

P. S. S. S.

Director

Place: Chennai, India

Date : 08 , May 2025

NETWORK PROGRAMS USA INC

Cash Flow Statement for the period ended
(All amounts in USD , 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 Adjustment for:	(6,25,974)	(32,314)
Financing costs	25,077	26,995
Operating profit / (loss) before reinvestment of capital	(6,00,897)	(5,319)
(Increase)/Decrease in Trade receivables	5,78,396	0
(Increase)/Decrease in current assets	-	-
Increase/(Decrease) in trade and other payables	(15,788)	(19,864)
Cash generated from / (used in) operations	(38,289)	(52,178)
Tax (paid)	-	-
Net cash flows from operating activities	(38,289)	(52,178)
Cash flows from investing activities:		
Acquisition of non current assets & CWIP		
Loans and advances movement	19,465	
Net cash flows from/ (used in) investing activities	19,465	-
Cash flows from financing activities:		
Financing costs	(25,077)	(26,995)
Proceeds from inter-company	43,841	37,982
Net cash flows from/ (used in) financing activities	18,764	10,987
Net Increase/(decrease) in cash & cash equivalents	(60)	(14,197)
Cash & cash equivalents at the beginning of the year	3,013	17,210
Cash & Cash equivalents at end of the period	2,953	3,013

As per our report of even date

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

For and on behalf of the Board

G. Chandrasekaran

G Chandrasekaran
Partner
Membership No. 208546



R. Balaji
Director

Shil
Director

Place: Chennai, India
Date : 08 , May 2025

Network Programs USA Inc.

Notes to the balance sheet as at 31 March 2025

(All amounts in USD , unless otherwise stated)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
2.1 Trade receivables		
Current		
Considered good	-	5,78,466
Total	<u>-</u>	<u>5,78,466</u>
2.2 Cash and bank balances		
Cash and cash equivalents		
Balances with banks - current accounts	2,953	3,013
Total	<u>2,953</u>	<u>3,013</u>
2.3 Share capital		
Issued, Subscribed & Paid up		
1500 (March 31,2019:1500) equity shares without per value	50,000	50,000
2.4 Other Equity		
Retained earnings	(6,97,252)	(6,64,938)
Profit / (Loss) For The Year	(6,25,974)	(32,314)
Balance as at the end of the year	<u>(13,23,226)</u>	<u>(6,97,252)</u>
Total	<u>(13,23,226)</u>	<u>(6,97,252)</u>
2.5 Borrowings		
Current		
Unsecured		
Loans and advances from related parties	9,83,211	9,39,370
Total	<u>9,83,211</u>	<u>9,39,370</u>
2.6 Trade payables		
Dues to Others	2,34,616	2,34,616
Total	<u>2,34,616</u>	<u>2,34,616</u>
2.7 Other financial liabilities		
Current maturities of long term borrowings		
Other accrued liabilities	64,352	80,140
Total	<u>64,352</u>	<u>80,140</u>

Network Programs USA Inc.

Notes to the Statement of Profit and Loss account for the Year ended 31 March 2025
(All amounts in USD , unless otherwise stated)

Particulars	Year ended 31 Mar 2025	Year ended 31 Mar 2024
3.1 Other expenses		
Legal and professional fees	2,976	5,239
Bad Debts Written Off	5,97,861	
Miscellaneous expenses	60	80
Total	<u>6,00,897</u>	<u>5,319</u>
3.2 Finance costs		
Interest	25,077	26,995
Total	<u>25,077</u>	<u>26,995</u>

NETWORK PROGRAMS USA INC

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

(All amounts in US Dollars , unless otherwise stated)

1.1 Legal status and business activity:

NETWORK PROGRAMS USA INC, a company incorporated under the state laws of Delaware, USA. The company is primarily engaged in rendering software services.

1.2. Tangible Assets:

There is no Fixed Assets in the company.

1.3. Sundry debtors / Sundry creditors / Loans & advances

The company has sought for confirmation from concerned parties in respect of major balances stated at their values shown under sundry debtors, sundry creditors and loans & advances outstanding as at the year end, which is subject to confirmation.

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
Inspirsys Solutions Limited, India	Holding company
CAC Holdings Corporation Japan	Ultimate Holding Company
Inspirsys Solutions North America Inc	Fellow Subsidiary
Inspirsys Solutions Japan Kabushiki Kaishai	Fellow Subsidiary
Inspirsys Solutions Europe Ltd UK	Fellow Subsidiary

KEY MANAGERIAL PERSONNEL:

Mr. Murali Gopalakrishnan	Director
Mr. Reni Don Rozario	Director
Mr R Balaji	Director

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

Particulars	Ultimate Holding Company	Holding Company
Receivables		-
Payables		2,34,617 (2,34,617)
Unsecured Loan	3,00,000 (3,00,000)	-

Note: Item under parenthesis represent previous year figures (31 March 2024)

1.7. RELATED PARTY INTEREST IN CONTRACTS:

The key persons of the company are neither directly nor indirectly interested in any contract with the company other than the following:

Mr. Murali Gopalakrishnan is the key person of the company and is also the Executive Director of Inspirisys Solutions Limited, the holding company.

1.8. Capital Commitments:

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

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. Going Concern

The Company incurred a net loss of USD 6.26 lakhs during the year ended March 31, 2025, as of that date, the Company's current liabilities exceeded its total assets by USD 12.73 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.


1.13. Comparative Figures:

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

As per our report attached

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