

# **S K RAM ASSOCIATES**

■ Chartered Accountants  
Old No. 57/2, New No. 103  
P.S. Sivaswamy Salai, Mylapore  
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## **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 Europe Limited, UK (hereinafter referred to as the "Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2023 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.

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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 2023, and of its results of operations for the year then ended in accordance with Generally Accepted Accounting Principles adopted in India, subject to note no. 1.10 to the financial statements for the year ended 31<sup>st</sup> March 2023.

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

  
R. Balaji



Membership Number: 202916  
UDIN: 23202916BGPPEX9775  
Place of Signature: Chennai  
Date: 09<sup>th</sup> May 2023

# Inspirisys Solutions Europe Limited

**Audited Balance sheet as at 31 March 2023**

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

Particulars	Notes	As at Mar 31, 2023	As at Mar 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment			
Financial assets			
- Other financial assets	2.1	184	184
Other non-current assets	2.2	544	781
<b>Total</b>		<b>728</b>	<b>965</b>
<b>Current assets</b>			
Financial assets			
- Cash and cash equivalents	2.3	265	414
<b>Total</b>		<b>265</b>	<b>414</b>
<b>Assets Total</b>		<b>992</b>	<b>1,379</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	2.4	19,500	19,500
- Reserves and surplus	2.5	(360,557)	(322,285)
<b>Total</b>		<b>(341,057)</b>	<b>(302,785)</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	2.6	336,942	296,053
- Other financial liabilities	2.7	5,107	8,111
<b>TOTAL</b>		<b>342,049</b>	<b>304,164</b>
<b>Liabilities Total</b>		<b>992</b>	<b>1,379</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



**For and on behalf of the Board**

*[Signature]*  
Director

*[Signature]*  
Director

Place: Chennai, India

Date : 09 May, 2023



## Inspirisys Solutions Europe Limited

### Audited Statement of Profit and loss account for Year ended 31 March 2023

(All amounts in GBP , unless otherwise stated)

Particulars	Notes	Year ended 31 Mar 2023	Year ended 31 Mar 2022
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations		-	-
Other income	3.1	-	-
<b>Total revenue (I)</b>		-	-
<b>Expenses</b>			
Other expenses	3.2	38,272	36,513
<b>Total (II)</b>		<b>38,272</b>	<b>36,513</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)</b>		<b>(38,272)</b>	<b>(36,513)</b>
Depreciation and amortization expense		-	-
Finance costs (Net)		-	-
<b>Profit/(loss) before tax</b>		<b>(38,272)</b>	<b>(36,513)</b>
<b>Profit/(loss) for the year from continuing operations</b>		<b>(38,272)</b>	<b>(36,513)</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



For and on behalf of the Board

Director

Director

Place: Chennai, India

Date : 09 May, 2023

**Inspirisys Solutions Europe Limited**

**Cash Flow Statement for the period**

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

<b>Particulars</b>	<b>Year ended 31 Mar 2023</b>	<b>Year ended 31 Mar 2022</b>
<b><u>Cash flows from operating activities</u></b>		
Net profit / (loss) for the year before tax Adjustment for:		
Finance cost	(38,272)	(36,513)
	-	-
<b>Operating profit / (loss) before reinvestment of capital</b>	<b>(38,272)</b>	<b>(36,513)</b>
(Increase)/Decrease in Trade receivables	-	-
(Increase)/Decrease in current assets	(149)	(51)
Increase/(Decrease) in trade and other payables	38,272	36,677
<b>Cash generated from / (used in) operations</b>	<b>(149)</b>	<b>113</b>
Tax (paid)		
<b>Net cash flows from operating activities</b>	<b>(149)</b>	<b>113</b>
<b>Cash flows from financing activities:</b>		
Loan received/(repaid)	-	-
<b>Net cash flows from/ (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>	<b>(149)</b>	<b>113</b>
Cash & cash equivalents at the beginning of the year	414	301
<b>Cash &amp; Cash equivalents at end of the year</b>	<b>265</b>	<b>414</b>

*As per our report of even date*

**For S K RAM ASSOCIATES**

**Firm Registration No.2842S**

*Chartered Accountants*

**R. Balaji**

**Membership No.202916**



**For and on behalf of the Board**

**Director**

**Director**

Place: Chennai, India

Date : 09 May, 2023

## Inspirisys Solutions Europe Limited

### 2. Notes to the balance sheet as at 31 March 2023

(All amounts in GBP, unless otherwise stated)

Particulars	As at Mar 31, As at Mar 31, 2022 2023	
<b>Assets</b>		
<b>2.1 Other financial assets</b>		
<b>Non Current</b>		
Security deposits		
Rental deposit	184	184
<b>Total</b>	<u>184</u>	<u>184</u>
<b>2.2 Other non-current assets</b>		
Balances with government authorities	544	781
Prepaid expenses	-	-
<b>Total</b>	<u>544</u>	<u>781</u>
<b>2.3 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks - current accounts	265	414
<b>Total</b>	<u>265</u>	<u>414</u>
<b>2.4 Share capital</b>		
<b>Issued, Subscribed &amp; Paid up</b>		
19500 (March 31,2022:19500) equity shares of GBP 1/- each	19,500	19,500
<b>2.5 Other Equity</b>		
<b>General reserve</b>		
Retained earnings	(322,285)	(285,772)
Profit/(Loss) For The Year	(38,272)	(36,513)
<b>Balance as at the end of the year</b>	<u>(360,557)</u>	<u>(322,285)</u>
<b>Total</b>	<u>(360,557)</u>	<u>(322,285)</u>
<b>2.6 Borrowings</b>		
<b>Current</b>		
<b>Secured</b>		
Finance lease obligations		
<b>Unsecured</b>		
Loans and advances from related parties	336,942	296,053
<b>Total</b>	<u>336,942</u>	<u>296,053</u>
<b>2.7 Other financial liabilities</b>		
Other accrued liabilities	5,107	8,111
<b>Total</b>	<u>5,107</u>	<u>8,111</u>



## Inspirisys Solutions Europe Limited

### 3. Notes to the Statement of Profit and Loss account for Year ended 31 March 2023

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

<b>Particulars</b>	<b>Year ended 31 Mar 2023</b>	<b>Year ended 31 Mar 2022</b>
<b>3.1 Other income</b>		
Interest income on Bank deposits		
Other non-operating income		
Liability no longer required written back		-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>3.2 Other expenses</b>		
Rent	2,459	1,979
Travelling and conveyance	1,361	2,664
Printing and stationery	-	-
Legal and professional fees	18,909	19,626
Exchange differences (net)	15,375	12,041
Miscellaneous expenses	168	203
<b>Total</b>	<b>38,272</b>	<b>36,513</b>

## Inspirisys Solutions Europe Limited

### 1. Other Notes forming part of Financial Statements for the Year Ended March 31, 2023

(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, 2022	19,500	(322,285)	(302,785)
Profit/(Loss) for the year ending Mar 31, 2023	-	(38,272)	(38,272)
Balance as on March 31, 2023	19,500	(360,557)	(341,057)

#### 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 (Ceased to be Director w.e.f 31.10.2022)	Director
Mr. V. Mohan Nair (Ceased to be Director w.e.f 03.02.2023)	Director
Mr. Milind Kalurkar	Director
Mr. Murali Gopalakrishnan	Director
Mr Reni Don Rozario	Director

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



Particulars	Holding Company	Fellow Subsidiary
Payables	54,643	282,298
	(54,643)	(241,410)

Note: Item under parenthesis represent previous year figures

#### 1.6. Capital Commitments:

The Company has no capital commitments, which would require disclosure as at March 31, 2023

#### 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 loss of GBP 0.38 lakhs during the year ended March 31, 2023, as of that date, the Company's current liabilities exceeded its total assets by GBP 3.41 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 S K RAM ASSOCIATES

Chartered Accountants

Firm Registration No. 28425

R. Balaji

Membership No. 202916



For and on behalf of the Board

  
Director

  
Director

Place: Chennai, India

Date : 09 May, 2023