

FDC Inc.

AUDITED FINANCIAL STATEMENTS

March 31, 2023

P K Vasudevan, CPA
Iyer Associates
Certified Public Accountant
315, Lowell Avenue, Hamilton, NJ 08619
Ph.: 609 587 5141 Fax: 609 587 1602
pkvasu@iyerassociates.com

TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Auditor	1-3
Financial statements as of for the year ended March 31, 2023	
Balance Sheet	4
Statement of Operations	5
Statement of Changes in Stockholder's Equity	6
Statement of Cash Flows	7
Notes to Financial Statements	8-11



315 Lowell Avenue
Hamilton, NJ 08619 USA
Tel: +1 609 587 5141
Fax: +1 609 587 1602
www.iyerassociates.com

Independent Auditor's Report

To the Board of Directors and Stockholders
FDC Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of FDC Inc. which comprise the balance sheet as of March 31, 2023, and the related statements of operations, changes in stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FDC Inc. as of March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of FDC Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

FDC Inc's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of



315 Lowell Avenue
 Hamilton, NJ 08619 USA
 Tel: +1 609 587 5141
 Fax: +1 609 587 1602
 www.iyerassociates.com

internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about FDC Inc's ability to continue as a going concern for twelve months beyond the financial date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing the audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FDC Inc's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



315 Lowell Avenue
Hamilton, NJ 08619 USA
Tel: +1 609 587 5141
Fax: +1 609 587 1602
www.iyerassociates.com

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about FDC Inc's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

A handwritten signature in black ink, which appears to read "Iyer Associates".

Iyer Associates
Hamilton, NJ
May 15 2023

FDC INC.
Balance Sheet as of
March 31, 2023

ASSETS

Current Assets

Cash and cash equivalents	\$	74,009
---------------------------	----	--------

TOTAL ASSETS	\$	74,009
--------------	----	--------

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities

Accrued expenses	\$	1,600
------------------	----	-------

Other current liabilities		500
---------------------------	--	-----

Total current liabilities		2,100
---------------------------	--	-------

Stockholder's equity

Common stock, \$100 par value; 2,500 shares authorized, 500 shares issued and outstanding		50,000
--	--	--------

Retained earnings		21,909
-------------------	--	--------

Total stockholder's equity		71,909
----------------------------	--	--------

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$	74,009
--	----	--------

FDC INC.
Statement of Operations
For the year ended March 31, 2023

Net Sales	\$ -
General and Administrative Expenses	2,435
	<hr/>
Net Loss	<u>\$ (2,435)</u>

- See Independent Auditor's report and notes to financial statements -

FDC INC.
Statement of Changes in Stockholders' Equity
Year Ended March 31, 2023

	Common stock		Retained earnings	Total stockholders' equity
	Shares	Amount		
Balance, March 31, 2022	500	\$ 50,000	\$ 24,344	\$ 74,344
Net loss for the year	-	-	(2,435)	(2,435)
Balance, March 31, 2023	<u>500</u>	<u>\$ 50,000</u>	<u>\$ 21,909</u>	<u>\$ 71,909</u>

- See Independent Auditor's report and notes to financial statements -

FDC INC.
Statement of Cash Flows
For the Year ended March 31, 2023

Cash flows from operating activities	
Net income/(loss)	\$ (2,435)
Adjustments to reconcile net income to net cash used in operating activities:	
Changes in assets and liabilities:	
Increase /(decrease) in:	
Accrued expenses	300
Provision for CBT	-
Net cash used in operating activities	<u>(2,135)</u>
Net decrease in cash and cash equivalents	(2,135)
Cash at the beginning of the year	<u>76,144</u>
Cash at the end of the year	<u>\$ 74,009</u>
Supplementary disclosure of cash flows information	
Cash paid during the year for	
Income taxes-NJ CBT	\$ 500

- See Independent auditor's report and notes to financial statements -

FDC INC.
Notes to the Financial Statements
March 31, 2023

1. Nature of Business

Organization

FDC Inc. (FDC) was incorporated in the state of New Jersey on September 01, 2004 and it is a 100% subsidiary of FDC Limited (an Indian Company). FDC imports pharmaceutical formulations and generic products from its parent company, FDC Limited, and sells and distributes such products to various consumers in the United States.

2. Summary of Significant Accounting Policies

Basis of accounting

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America; consequently, revenue is recognized when services are rendered and expenses reflected when costs are incurred.

Basis of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates are often based on judgments, probabilities and assumptions that management believes are reasonable but that are inherently uncertain and unpredictable. As a result, actual results could differ from those estimates.

Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based on such periodic evaluations.

Revenue recognition

The Company recognizes revenue based on the following criteria:

FDC INC.
Notes to the Financial Statements
March 31, 2023

Delivery and transfer of risk have been taken place before the year end and there is a binding sales agreement. The sale price has been determined and payment has been received or may with reasonable certainty be expected to be received.

Revenue related to services performed without a signed agreement or work order are not recognized until there is evidence of an arrangement, such as when agreements or work orders are signed or payment is received; however, the cost related to the performance of such work is recognized in the period the services are rendered.

For all services, revenue is recognized when, and if, evidence of an arrangement is obtained and other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability is assured.

Revenues related to fixed price contracts for any services are recognized using a model that is similar to the proportional performance method. Anticipated losses are recognized when they become known. Revisions in estimated profits are made in the month in which the circumstances requiring the revision become known. There was no fixed price contract for the year ended March 31, 2023.

Cash and cash equivalents

The Company considers all checking accounts, sweep accounts and money market accounts to be cash and cash equivalents. The amount on hand at any one time in any of these accounts may exceed the \$250,000 federal insured limit. The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

The Company's statements of financial position and results of operations are measured using the United States dollar as the functional currency.

Property and equipment

Property and equipment are stated at cost, net of accumulated amortization and depreciation. Property & equipment are capitalized at acquisition cost, which comprises of freight, installation cost, duties, taxes, and other directly attributable cost of bringing the assets to its working condition for the intended use. Leasehold improvements are amortized on a straight-line basis over the lesser of the estimated useful life of the asset or the term of the lease. Product

FDC INC.
Notes to the Financial Statements
March 31, 2023

development costs are amortized on a straight-line basis. Depreciation and amortization are computed using straight-line method, generally over the following periods:

Computers and purchased software	3-5 years
Furniture and equipment	5-7years
Automobiles	7 years
Leasehold improvements	Term of lease
Product development	15 years

The Company charges repairs and maintenance costs that don't extend the lives of the assets to expenses as incurred. The Company has no depreciable or amortizable assets at the end of the year March 31, 2023.

Income taxes

The Company records income taxes using the asset-and-liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and the tax effect of net operating loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Going Concern

These financial statements are prepared under the Going Concern principle, the company is viewed as continuing in business for the foreseeable future. The Company is not engaged in any commercial activity at this time in the United States of America. The Management has been taking efforts to ensure the continuity of the business of Company as a going concern for the next twelve months.

3. Business risks/ concentration

The company's financial instruments that are exposed to concentration of credit risks consist primarily of cash and cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents in bank accounts, which, at times, exceed federally insured limits. The Company has not experienced any

FDC INC.
Notes to the Financial Statements
March 31, 2023

losses in such accounts. The Company believes it is not exposed to significant credit risk on cash and cash equivalents.

4. Fair value of financial instruments

The Company's financial instruments, including cash and cash equivalents, accounts receivable, short-term borrowings and accounts payable are carried at cost, which approximates their fair value because of the short-term maturity of these instruments. The fair value of long-term borrowings is estimated based on current interest rates available to the Company for debt instruments with similar terms, degrees of risk, and remaining maturities. The carrying value of these obligations approximates their fair values.

5. Commitments and contingencies

The Company uses virtual office for communication and there is no lease commitment/obligation on the company at the year-end March 31st 2023.

6. Subsequent events

The Company has evaluated subsequent events through May 15, 2023, which is the date the financial statements were available to be issued. No reportable subsequent events have occurred through the issue date which would have a significant effect on the financial statements as of March 31, 2023, except as otherwise disclosed.