INTELLECT DESIGN ARENA, INCORPORATED & ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTANTS' REVIEW REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2016

INTELLECT DESIGN ARENA, INCORPORATED & ITS SUBSIDIARY

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
Intellect Design Arena, Incorporated
20, Corporate Place South
Piscataway, NJ 08854

We have reviewed the accompanying consolidated financial statements of Intellect Design Arena, Incorporated (a Delaware Corporation) and its subsidiary, which comprise the consolidated balance sheet as of March 31, 2016, and the related consolidated statements of comprehensive income, changes in stockholders' equity and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA. We have not reviewed the financial statements of SEEC Asia Technologies Private Limited, India, a wholly owned subsidiary, whose statements reflect total assets and revenues constituting 55% and 21%, respectively, of consolidated totals. These statements were audited by other accountants (from India), whose report has been furnished to us, and our conclusion, insofar as it relates to the amounts included for SEEC Asia Technologies Private Limited, is based solely on the report of other accountants.

SSARSs require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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Accountant's Conclusion

Based on our review, except for the issue noted in the Known Departure from Accounting Principles Generally Accepted in the United States of America paragraph, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Known Departure From Accounting Principles Generally Accepted in the United States of America

As disclosed in Note 4 to the financial statements, accounting principles generally accepted in the United States of America require that the depreciation on property and equipment be provided using straight line method over the estimated useful lives of the respective assets. Management has adopted different method of depreciation with effect from March 31, 2015 and applied the change retrospectively and that, if accounting principles generally accepted in the United States of America had been followed, depreciation expense would have been higher by $ 1,400 for the year ended March 31, 2016 and the equity would have been lower by $ 1,336 for the period up to March 31, 2016, due to application of the change retrospectively.

Report on Consolidating and Supplementary Information

The consolidating information in Schedule 1 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of individual companies, and is not a required part of the consolidated financial statements. The supplementary information included in Schedule 2, consolidated schedule of direct cost and, Schedule 3, consolidated schedule of general administrative and marketing expenses is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating information and supplementary information is the representation of management. We have reviewed the consolidating information and supplementary information and, based on our review, we are not aware of any material modifications that should be made to the consolidating information and supplementary information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the consolidating information and supplementary information and, accordingly, do not express an opinion on such information.

Pandya, Kapadia & Associates CPA PA

Pandya, Kapadia & Associates, CPA, P.A.
South Plainfield, NJ 07080
Date: April 29, 2016

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2016

	2016
ASSETS	
Current Assets	
Cash In Bank & Cash Equivalents	1,687,305
Accounts Receivable	2,310,525
Revenue in Excess of Billing	3,310,595
Dues Receivable from Related Entities	1,039,627
Prepaid Expenses & Taxes	626,957
Other Current Assets	199,358
Tax Component on Other Comprehensive Income (Loss)	535,390
TOTAL CURRENT ASSETS	9,709,757
Fixed Assets	
Land	2,910,257
Property, Equipment, Furniture & Fixtures & Leasehold Improvements (net)	439,662
Capital Work in Progress	289,573
TOTAL FIXED ASSETS	3,639,492
Other Assets	
Investment in Related Entities	250,000
Software Development Cost	773,023
Security Deposits	53,741
Deferred Tax Asset	10,335
TOTAL OTHER ASSETS :	1,087,099
TOTAL ASSETS :	14,436,348
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities	
Accounts Payable	3,156,746
Billing in excess of Revenue	490,538
Dues Payable to Related Entities	69,320
Accrued Expenses & Taxes	2,194,864
Other Current Liabilities	106,301
Loan from Bank	792,489
TOTAL CURRENT LIABILITIES	6,810,258
Term Liabilities	
Term Loan from Group Entity (excluding current portion)	12,356,903
TOTAL TERM LIABILITIES	12,356,903
TOTAL LIABILITIES	19,167,161
Stockholders' Equity	
Equity	7,005,000
General Reserve	(4,018,650)
Retained Earnings	(7,007,459)
Accumulated Other Comprehensive Income (Loss)(net of tax)	(709,704)
TOTAL STOCKHOLDERS' EQUITY	(4,730,813)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	14,436,348

See accompanying notes and independent accountants' report.

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2016

		2016
INCOME :		
Revenue from operations (net)		$ 10,845,124
LESS COST OF SALES		
Direct Cost	Schedule 2	4,700,281
GROSS PROFIT (LOSS)		6,144,843
GENERAL ADMINISTRATIVE, MARKETING & OPERATING EXPENSES:		
General Administrative & Marketing Expenses	Schedule 3	11,267,358
Depreciation		39,950
TOTAL		11,307,308
INCOME (LOSS) FROM OPERATIONS		(5,162,465)
OTHER INCOME AND EXPENSES		
Interest Income		171,065
Miscellaneous Income		41,645
Exchange Transaction Gain (Loss)		(351,955)
Interest Expense		(257,191)
TOTAL OTHER INCOME (EXPENSES)		(396,436)
NET INCOME (LOSS) BEFORE INCOME TAXES		(5,558,901)
Less :		
Current Taxes		69,653
Deferred Taxes		-
NET INCOME (LOSS) FOR THE YEAR ENDED MARCH 31, 2016		(5,628,554)
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign Currency Translation Gain (Loss)		(102,677)
OTHER COMPREHENSIVE INCOME (LOSS)		(102,677)
COMPREHENSIVE INCOME (LOSS)		$ (5,731,231)

See accompanying notes and independent accountants' report.

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEAR ENDED MARCH 31, 2016

	Equity Shares Issued	General Reserve	Retained Earnings	Accumulated Other Comprehensive Income	Total
BALANCE, March 31, 2015	$ 7,005,000	$ (4,018,650)	$ (1,371,086)	$ (607,027)	$ 1,008,237
Prior Period Adjustments			(7,819)		(7,819)
COMPREHENSIVE INCOME					
Net Income			(5,628,554)		(5,628,554)
Other Comprehensive Income (Loss), net of tax: net of $ 535,390 income tax (benefit)				(709,704)	
Changes in Translation Gain (Loss) on Consolidation				(102,677)	(102,677)
TOTAL COMPREHENSIVE INCOME					(5,731,231)
DISTRIBUTION TO STOCKHOLDERS			-		-
BALANCE, March 31, 2016	$ 7,005,000	$ (4,018,650)	$ (7,007,459)	$ (709,704)	$ (4,730,813)

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2016

	2016
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Income	$ (5,628,554)
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	39,950
Net adjustment to Fixed Assets (& accumulated depreciation) on translation	14,949
Deferred Taxes	621
Prior Period Adjustments to Retained Earnings	(7,819)
Changes In assets and Liabilities :	
(Increase) / Decrease in Assets:	
Accounts Receivable	(1,873,086)
Prepaid Expenses & Taxes and Other Current Assets	116,445
Revenue in Excess of Billing	58,164
Increase / (Decrease) In Liabilities:	
Accounts Payable	(525,100)
Accrued Expenses & Taxes and Other Current Liabilities	735,080
Billing in excess of Revenue	309,260
NET CASH USED BY OPERATING ACTIVITIES	(6,760,090)
CASH FLOWS FROM INVESTING ACTIVITIES	
Loans and Advances to Affiliates	(1,026,385)
Property, Equipment, Furniture & Fixtures	(23,806)
Capital Work in Progress	(289,573)
Software Development in Progress	(773,023)
Security Deposits	1,773
NET CASH USED IN INVESTING ACTIVITIES	(2,111,014)
CASH FLOWS FROM FINANCING ACTIVITIES	
Loans & Advances from Affiliates	7,485,022
Loans Payable	792,489
NET CASH FROM FINANCING ACTIVITIES	8,277,511
NET REDUCTION IN CASH	(593,593)
CASH AT BEGINNING OF YEAR	2,461,033
Effects of Currency Translation on Cash and Cash Equivalents (Gross)	(180,135)
CASH AT END OF YEAR	$ 1,687,305
SUPPLEMENTAL DISCLOSURES	
Interest paid	$ 248,492
Income taxes paid	$ 3,030

See accompanying notes and independent accountants' report.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE COMPANY – NATURE OF OPERATIONS

Intellect Polaris Incorporated was incorporated as Delaware Corporation on September 24, 2008. As of October 28, 2008, after acquiring 100% stock in SEEC Incorporated, a certificate of merger was filed with Delaware State, to merge Intellect Polaris Incorporated with SEEC Incorporated. Thereafter the merged entity was named as Intellect SEEC Incorporated and as of June 16, 2010, name of the Company has been changed to Polaris Software Lab, Incorporated, and then, as of December 23, 2014, to Intellect Design Arena, Incorporated, by filing a Certificate of Amendment with the Secretary of State, State of Delaware. Intellect Design Arena Pte Limited, Singapore is holding 100% equity in the Company. Intellect Design Arena Limited, India is holding 100% equity in Intellect Design Arena Pte Limited, Singapore.

Subsequent to the acquisition of SEEC Incorporated, balance sheet of the company was derived in utilizing Purchase Method as permitted under the then *FASB141R*, i.e., when company acquires all of the equity of other company, it records all of the assets and liabilities at their full fair value and all assets and liabilities are reported at their fair value on the date of acquisition.

The Company is engaged in developing, marketing, selling and supporting business component and application management software and solutions. The company derives its revenues from licensing of software products and sale of these products. The company's customer base consists primarily of large and medium sized organizations, including corporations, third party information technology service providers, and governmental agencies.

The Company is operating in India, through its wholly owned subsidiary, SEEC Technologies Asia Private Limited, India. It is engaged in the activity of developing, marketing, selling and supporting business component and application management software and solutions, mainly to the group entities. In the year ended March 31, 2016, the entire revenues reported by SEEC Technologies Asia Private Limited were derived from its holding Company, Intellect Design Arena, Incorporated.

BASIS OF PREPARATION & CONSOLIDATION

The accompanying financial statements of Intellect Design Arena, Incorporated and its wholly owned subsidiary, SEEC Technologies Asia Private Ltd, India, were prepared to comply with in all material respects with the mandatory accounting standards issued under generally accepted accounting principles. The Financial statements have been prepared under the historical cost convention on an accrual basis. All amounts are stated in United States dollars. The consolidated financial statements reflect the position of assets & liabilities as on March 31, 2016 and the operations for the year then ended, for Intellect Design Arena, Incorporated and its subsidiary. All significant intercompany accounts and transactions between holding company and subsidiary were eliminated in consolidation.

REVENUE RECOGNITION

The Company's revenue comes primarily from sale of software developed and also from licensing and related services such as annual maintenance, implementation etc. Revenues from software licenses include all fees earned from granting customers the right to use the software. For software licensing arrangements that do not require significant customization, revenues are recognized when: 1) the Company has a binding arrangement with the customer, 2) it delivers the products, 3) customer payment is deemed fixed or determinable and free of significant uncertainties or contingencies, and 4) collection is probable. Substantially all new software license revenues are recognized in this manner. Revenue from software license updates is recognized ratably over the term of the arrangement, usually one year.

Many of the Company's revenue arrangements include multiple software and service elements, such as customization of software, license updates, advanced product services, annual maintenance and implementation & training. For arrangements with multiple elements, the Company allocates revenue to each element of the arrangement based upon its fair value as determined by vendor-specific objective evidence. Vendor-specific objective evidence of fair value for all elements of a transaction is based upon the normal pricing and discounting practices for those products and services when sold separately and, for software license updates, is additionally measured by the renewal rate offered to the customer. The Company defers revenue for any undelivered elements, and recognizes revenue when the product is delivered or over the period in which a service is performed, in accordance with the Company's revenue recognition policy for such element. If the Company cannot objectively determine the fair value of any undelivered element included in bundled software and service arrangements, revenue is deferred until all elements are delivered and services have been performed, or until fair value can objectively be determined for any remaining undelivered elements. When the fair value of a delivered element has not been established, we use the residual method to record revenue if the fair value of all undelivered elements is determinable. Under the residual method, the fair value of undelivered elements is deferred and the remaining portion of the contract fee is allocated to the delivered elements and recognized as revenue. As of March 31, 2016 and 2015, no such deferred revenue was received or outstanding.

The Company's software license arrangements generally do not include acceptance provisions. However, if acceptance provisions exist as part of public policy, for example in agreements with governments where acceptance periods are required by law, the Company provides for a sales return allowance. No such allowance was reported as of March 31, 2016 and 2015.

The selling, general administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

Revenue in excess of billing – the Company has recognized income for fixed bid projects based on work performed but the billing has not been carried out since the contractual payment terms have not been completed.

Revenue reported includes the revenue reported by the company's wholly owned subsidiary, SEEC Technologies Asia Private Ltd, and the financial statements of the subsidiary were audited by another auditor, using the same revenue recognition policies as per the company, Intellect Design Arena, Incorporated.

USE OF ESTIMATES

Preparation of financial statements in conformity with the generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates and any revision to accounting estimates is recognized in the period in which revisions are made. Estimates are used for but not limited to accounting for allowance for doubtful accounts, useful lives of fixed assets, capitalization of cost, etc.

CASH & CASH EQUIVALENTS

The Company considers all highly liquid investments with a remaining maturity at the date of purchase/investment of 3 months or less to be cash equivalents. Cash and Cash equivalents consist of cash, cash on deposit with banks, deposits with corporations, etc.

ACCOUNTS RECEIVABLE AND ACCOUNTING BAD DEBTS

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of March 31, 2016, as per the assessment of the management, the outstanding balances reported under accounts receivable are collectible and no valuation allowance was required, as per the current status of these accounts (in the previous year ended March 31, 2015, no amount was provided as valuation allowance / written off for the same reason).

The Company's agreements with some of the customers provide for cash discount for early payment of receivables and this discount shall be treated as part of general administrative and marketing expenses. In the current year ended March 31, 2016, the Company allowed cash discounts aggregating to $ 730 ($ 0 in the year ended March 31, 2015), in various customer accounts.

PROPERTY AND EQUIPMENT

Property and Equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation shall be removed from the respective accounts and the net difference less any amount realized from the disposition, is reflected in earnings. Till March 31, 2014, the Company was providing for depreciation on property and equipment using straight line method over the estimated useful lives of the respective assets. However, in the year ended March 31, 2015, the company changed the depreciation method to Indian GAAP, retrospectively, as described in Note 4. As per the Indian GAAP, the useful life for the building & improvements would be 30 years, computer software 3 years, computers and peripherals 6 years, machinery & office equipment 5 years and, furniture & fixtures 10 years from the date relative asset has been put to use, on straight line method, as against straight line method over the estimated useful lives of the respective assets, as per US GAAP.

FOREIGN CURRENCY TRANSACTIONS

The functional currency of the Company's subsidiary in India is its local currency, viz., INR. The financial statements of the subsidiary have been translated into U.S. dollars for consolidation. Assets and liabilities on the balance sheets have been translated using the exchange rates in effect at the balance sheet date. Income statement amounts and cash flow statement amounts have been translated using the average exchange rate for the year. Accumulated net translation adjustments have been reported in other comprehensive income in the consolidated financial statements as disclosed in the following disclosure on Other Comprehensive Income.

Foreign currency transaction losses resulting from exchange rate fluctuations on transactions denominated in a currency other than the functional currencies of the Company and its subsidiary aggregated approximately to $ 351,955 in the year ended March 31, 2016 (in the year ended March 31, 2015, loss of $ 15,056) and these were included in other expense (as part of other income) in the accompanying consolidated statement of comprehensive income

OTHER COMPREHENSIVE INCOME (LOSS)

The Company complies with provisions of FASB ASC 220, Comprehensive Income, which requires companies to report all changes in equity during a period, except those resulting from investment by owners and distributions to owners, for the period in which they are recognized. Comprehensive Income is the total of net income/loss and all other non-owner changes in equity (or other comprehensive income) such as unrealized gains or losses on securities classified as available-for-sale, foreign currency translation adjustment, minimum pension liability adjustments and effective portion of cash flow hedges. Accumulated other comprehensive income/loss must be reported on the face of the financial statements. Other comprehensive income reported by the Company constitutes the foreign currency translation adjustment gain (loss) and the changes were reported as part of consolidated statement of changes in stockholders' equity.

INCOME TAXES

Income taxes are provided in accordance with the asset and liability method as set forth in Accounting Standards Codification 740 (ASC 740, previously known as SFAS 109), *Accounting for Income Taxes*. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating losses and tax credit 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 the results of operations in the period that includes the enactment date. Deferred income tax expense (benefit) represents the change during the period in the deferred tax assets and liabilities. The components of the deferred tax assets and liabilities are individually classified as current and noncurrent based on their characteristics. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion of the deferred tax assets will not be realized.

Deferred tax asset reported on the balance sheet represents the amount reported by the Company's India Subsidiary in its audited financial statements (duly translated into $).

The Company evaluates for uncertain tax positions in accordance with Accounting Standards Codification (ASC) 740, *Income taxes*. ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return as well as guidance on de-recognition, classification, interest and penalties and financial statement reporting disclosures. For these benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

The Company classifies interest related to the underpayment of income taxes as a component of interest expense and classifies any related penalties in general and administrative expenses in the Statements of Income. There were no penalties or interest related to income taxes for the years ended March 31, 2016 and 2015.

The Company's provision for income taxes differs from applying the statutory U.S. federal income tax rate to income before income taxes. The primary differences result from providing for state income taxes and from deducting certain expenses for financial statement purposes but not for federal income tax purposes. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes that are available to offset future taxable income.

The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits in progress. The Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before March 31, 2013. The Company's tax returns are subject to examination by federal and state taxing authorities. Because many types of transactions are susceptible to varying interpretations under federal and state income tax laws and regulations, the amounts reported in the accompanying financial statements may be subject to change at a later date upon final determination by respective taxing authority.

PRODUCT WARRANTY

The Company provides a 90 day warranty for software products against substantial non-conformance to the published documentation at the time of delivery.

GENERAL RESERVE

The excess purchase consideration paid over and above net asset value as on the date of merger was shown as Reserve (negative amount) under Stockholders' Equity in the balance sheet, instead of showing as goodwill on the balance sheet.

In accordance with *FASB ASC 350 (formerly SFAS No. 142), "Intangibles - Goodwill and Other Intangible Assets"*, goodwill is no longer amortized; instead it is tested for impairment on an annual basis. The Company assesses the impairment of goodwill whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the company considers to be important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results,
- Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

As required by *FASB ASC 350*, the impairment test is accomplished using two step approach. The first step screens for impairment and, when impairment is indicated, second step is employed to measure the impairment.

Considering the fact that the amount shown under reserve is in the nature of goodwill, management evaluates this balance by making it subject to impairment test on annual basis, in accordance with *FASB ASC 350*.

Determination of impairment requires the management to make series of critical assumptions to (i) evaluate whether impairment exists and (ii) measures the amount of impairment, in two step approach, indicated above.

In the current year, the Company reported net losses, mainly on account of the Company's efforts to establish itself as exclusive software developer from the previous year, subsequent to the demerger of activities of the group and as a result, its net worth was eroded as of March 31, 2016, necessitating evaluation of impairment of goodwill based on two step approach as required by FASB ASC 350. While the management is positive on turnaround of the operations in next 2 years, it is also of the view that as the amount has been debited to equity on the balance sheet, as of the date of merger, even 100% impairment may not alter the total equity position on the balance sheet.

SOFTWARE DEVELOPMENT COST

The Company internally develops software that it markets through licensing of software and direct sales as per its agreement with relative customers. Software development costs are expensed as incurred until technological feasibility of the product is established. Development costs incurred subsequent to technological feasibility are capitalized and amortized on a straight-line basis over the estimated economic life of the product. Capitalization of computer software costs is discontinued when the computer software product is available to be sold, leased, or otherwise marketed. Amortization begins when the product is available for release to customers. Capitalized software development costs included in other assets in the accompanying consolidated balance sheets as of March 31, 2016 were $ 773,023 ($ 0 as of March 31, 2015) and the product is under development and not available for sale as of March 31, 2016.

Advertising

The Company expenses advertising costs as they are incurred. In the year ended March 31, 2016 the Company incurred $ 498 (in 2014-15, $ 32) on advertising.

DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through April 18, 2016, the date on which the financial statements were available to be issued, and found no significant events requiring disclosure.

NOTE 2- GOING CONCERN

As indicated in the accompanying consolidated financial statements, the Company reported a net loss of $ 5,629,000 during the year ended March 31, 2016 ($ 4,166,618 in the year ended March 31, 2015). As of that date, the Company's total liabilities exceeded its total assets by $ 4,731,000. While the above position indicates substantial adverse impact on owner's equity, the management of the Company is positive of ensuring turnaround before March 31, 2017 with its plan that is being developed at the group level with simultaneously increasing the revenues and profit margins of the Company in the US and through infusion of additional equity by Intellect Design Arena Pte Limited, Singapore (through its parent, Intellect Design Arena Limited, India), after obtaining approvals that are required as per local regulations. Further, term loans from two of the group entities from UK and Switzerland constitute 61% ($ 11.781 MM) of the total liabilities in the consolidated balance sheet of the Company and its subsidiary. These loans were arranged with support from the Parent Company of the group, Intellect Design Arena Limited, India. Management is confirms that it can ensure satisfaction of the outside liabilities through realization of its assets in normal course of business. The ability of the Company to continue as a going concern on its own, however, is dependent on successful implementation of the management's plan to increase the revenues in next one year time and thereafter.

NOTE 3 – RELATED PARTY TRANSACTIONS

The related party transactions, as of March 31, 2016, are summarized as under:

Related Party	Nature of Relation	Transaction Type	Amount
Polaris Consulting & Services Limited India and Its US branch	Group Company in India & its US Branch	Revenue	$ 8,188
		Receivables	207,752
		Dues Payable	67,089
		Advances to Vendor	1,060
		Other Liability (Security Deposit)	62,896
		Miscellaneous Income (Rent)	41,645
Intellect Design Arena S.A. Switzerland	Subsidiary of the Holding Company	Loan Outstanding	5,000,898
		Interest Expense	157,239
Intellect Design Arena Limited, UK	Subsidiary of the Holding Company	Loan Outstanding	6,779,865
		Interest Expense	91,252
Intellect Design Arena FZ, LLC, Dubai	Subsidiary of the Holding Company	Loan Outstanding	576,140
		Interest Expense	$ 1,140

Intellect Design Arena Limited, India	Parent Company of the holding Company	Consulting Expense	$ 1,631,869
		Accounts Payable	2,550,686
		Dues Receivable	1,039,627
Intellect Polaris Design LLC	Group Entity	Investment in Membership Interests	250,000
Laser Soft	Group Entity	Dues Payable	$ 2,231

LOAN OUTSTANDING: The Company has availed loans aggregating to $ 12,356,903 from three of the group entities operating from UK, Switzerland and Dubai (listed above) and as of March 31, 2016, $ 1,140 of these dues represent interest payable and during the year, the Company has paid $ 248,492 towards interest charged on these loans.. The loan from UK entity carry interest @ 4% p.a. and other loans carry interest @ 3.25% p.a., with repayment schedule and other terms as per the respective Loan Agreements signed with these entities. These Loans are provided to meet long term needs of the Company and the loans availed from Switzerland and UK are backed by comfort letter from the parent Company of the holding Company.

Based on market rates for similar loans, at March 31, 2016 and 2015, the fair value of the notes approximates its carrying amount. In terms of the notes, the entire balance should be repaid by March 31, 2022 and accordingly, the aggregate maturities are as follows:

Years ending March 31,	Amount
2017	$ -
2018	3,856,903
2019	2,500,000
2020	2,000,000
2021	2,000,000
2022	2,000,000

Loan from Bank represents Loan obtained by the India Subsidiary, against fixed deposits held with the Bank in India. The loan carries interest at 2% over the interest payable on the fixed deposit held with the Bank and is payable on maturity date of the deposit.

NOTE 4 – PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Property, equipment and leasehold improvements consist of the following:

	March 31, 2015	March 31, 2015
Land	$ 2,910,257	$ 2,912,436
Building	331,062	336,459
Furniture, Fixtures, Plant & Machinery and Vehicles	1,499,135	1,519,540
Leasehold improvements	527,926	527,926
Gross	5,268,380	5,296,361
Accumulated depreciation	(1,918,461)	(1,915,349)
Net	3,349,919	3,381,012
Capital Work in Progress	$ 289,573	$ -

During the year ended March 31, 2016, there have been additions (excluding Capital Work in Progress) aggregating to $ 23,806 ($ 7,248 in the year ended March 31, 2015); however, there were no retirement or otherwise disposing off of any property, equipment & fixtures. There has been a net adjustment to Property, Equipment and Leasehold Improvements and Accumulated Depreciation, aggregating to $ $ 14,949 in the year ended March 31, 2016 (net credit, as shown in cash flow statement), due to translation of these assets and accumulated depreciation of the Indian Subsidiary in to Dollars, on consolidation ($ 9,729 in the year ended March 31, 2015).

Change in Accounting Estimates: Accounting principles generally accepted in the United States of America requires that the depreciation on property and equipment be provided using straight line method over the estimated useful lives of the respective assets. In the year ended March 31, 2015, the management has effected change in depreciation method from US GAAP to Indian GAAP, i.e., changed the estimated lives of individual asset groups to estimated lives prescribed as per the Companies Act 1956 (of India). Effect of adopting this method retrospectively, resulted in decrease in accumulated depreciation as of March 31, 2015 by $ 64. And in the year ended March 31, 2016, the depreciation as per the revised method was lower by $ 1,400 vis a vis US GAAP and thus the Company's Equity would have been lower by $ 1,336 if the Company was to charge depreciation based on US GAAP.

NOTE 5—FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS

Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification (FASB ASC 825-10), requires disclosure of fair value information about financial instruments, whether or not recognized in the statement of financial condition.

In cases where quoted market prices are not available, fair values are based on estimates using the present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases could not be realized in immediate settlement of instruments. Certain financial and nonfinancial instruments are excluded from these disclosure requirements. Accordingly, the aggregate fair value amounts do not represent the underlying value of the Company.

The following methods and assumptions were used by the Company in estimating its fair value disclosures for financial instruments:

Cash and cash equivalents: The carrying amounts reported in the statements of financial condition for cash & cash equivalents approximate those assets fair values.

Investments in Securities: The Company has no investments held for sale / held to maturity, investment in fixed rate instruments / loans etc., on its statements of financial condition as of March 31, 2016 and 2015.

Accrued expenses: Carrying amounts of accrued expenses approximate the fair values.

Other current assets: These represent amounts receivable with no significant change in credit risk, and fair values are based on carrying amounts.

Current liabilities: Carrying amount of these liabilities approximates their fair values.

The carrying amounts of the above classes of financial instruments are included in the statement of financial condition under appropriate classes of assets and liabilities. No derivatives were held by the Company for trading purposes.

The Revenues of the company fall within the category of software consultancy services.

Concentration of Credit Risk from Cash Deposits in Excess of Insured Limits:

The Company maintains its cash balances with Banks in its operating accounts and the balances are insured by the Federal Deposit Insurance Corporation. As of the Balance sheet date, and periodically throughout the year, the company has maintained balances in these accounts, in excess of federally insured limits.

Concentration of Credit Risk and Customers:

Financial instruments, which potentially subject the Company to concentration of credit risk, consist principally of accounts receivable. The Company grants credit to customers on a regular basis. As on March 31, 2016, amounts due from top three customers aggregated to $ 2.100 MM, representing 91% of the total accounts receivable (of these, 53% of the outstanding receivables were due from one customer). In the year ended March 31, 2016, aggregate revenues from the afore-stated three customers accounted for 48% of total revenues (of which 23% were on the top one customer). Customer accounts are typically collected within a short period of time, and based on its assessment of current conditions; management believes that the outstanding balances in accounts receivable as at the end of March 31, 2016 are good and uncollectible balances, if any, as of that date will be immaterial and therefore, customer accounts were reported at the amount of principal outstanding.

NOTE 6 – INVESTMENT IN GROUP ENTITY

In October 2014, the Company has made investment of $ 250,000 by way of 5% Membership Interests in Intellect Polaris Design, LLC. Intellect Polaris Design, LLC was formed on July 23, 2014 to acquire 75,000 sq. ft. space in an office complex located in Piscataway, New Jersey. As of March 31, 2016, the LLC has three members as follows:

Member	Membership Interests (%)
Polaris Consulting & Services Limited, India	50
Intellect Design Arena Limited, India	45
Intellect Design Arena, Incorporated, US	5

As he investment held has been valued at original value and the management is of the view that based on market valuation for the property at March 31, 2016; fair value of the note approximates its carrying amount.

NOTE 7 – COMMITMENTS & CONTINGENCIES

DESCRIPTION OF LEASING ARRANGEMENTS:

The Company leased its office buildings in Pittsburg, PA and also in India. The lease terms for these office premises are longer than one year term. The company is responsible for future lease payment obligation up to the date of next renewal, on leases that are in force and renewable in future, are as under:

Property leased	Leased from	Leased up to	Future lease
Pittsburg PA Office	01/01/13	12/31/17	$ 312,098
Tampa Florida Office	12/01/15	11/30/16	10,216
Montgomery Office	05/01/14	07/31/17	229,592
Marbella Guest House 1	09/01/15	01/09/17	40,688
Marbella Guest House 2	05/27/15	05/03/16	$ 4,257

Future lease payment obligations aggregate to $ 596,851 and of this, $ 405,705 would be due in the year 2016-17 and $ 191,146 during the year 2017-18. Rent expense of $ 449,003 in the current year ($ 394,534 reported in the year ended March 31, 2015), comprises of rent paid for the above premises.

NOTE 8—INCOME TAXES

The Company reports corporate tax returns on accrual method of accounting, deferred taxes are recorded on the deferred income as reported on the financial statement as well as on corporate tax returns using timing difference and certain items, such as depreciation, amortization and investments as per equity method of reporting, for the tax purposes in the year other than the years they are reported on financial statement. Income taxes are provided in accordance with the asset and liability method as set forth in *Accounting Standards Codification 740 (ASC 740, previously known as SFAS 109), Accounting for Income Taxes.*

The current charges for the income taxes are calculated in accordance with relevant Federal and State tax regulations applicable to the company. The Company, as of March 31, 2015, has carried forward net operating losses (NOL) in the amount of $ 5,236,473, from the merged entity, SEEC Inc. The Company shall have huge benefit in their future income taxes payable over 15 years from the NOL carried forward. In 2016-17 & years thereafter, the Company proposes to utilize the benefit (approximately $ 1,059,405 in the form of Federal & State Taxes), as the Company reported net loss for the current year. However, the management proposes to examine its operations, in particular, net income from operations, in next few years, before recognizing deferred tax asset for the carried forward net operating losses, till such time, it proposes to claim every year, based on net income posted for the respective year.

The provision (benefit) for income taxes consists of the following components:

		2014-15		2014-15
Current Taxes	$	2,150	$	10,577
Deferred Tax (Asset)	$	(10,335)	$	(10,956)

The income tax provision (benefit) differs from the expense that would result from applying federal statutory rates to income before income taxes because certain expenses are not deductible for tax purposes. Provision indicated for the current year, $ 2,150 represents the balance of Federal Income Tax and State taxes payable for the current year.

Prepaid Taxes $ 331,309 ($ 365,210 reported as of March 31, 2015) being advance tax (net of provision for tax) paid by the Indian Subsidiary, in India and $ 0 ($ 19,531 reported as of March 31, 2015) paid by the Company in the US, being amount of refund due from IRS. Corporate tax expense reported in consolidated income statement $ 69,653 represent amount reported by the Indian subsidiary, in its books for the current year and prior year taxes, paid in this year. Deferred taxes reported on the income statement were on account of Indian Subsidiary.

NOTE 9- CONSOLIDATED SUBSIDIARIES / OTHER COMPREHENSIVE INCOME

As of March 31, 2016, the Company has wholly owned subsidiary viz., SEEC Technologies Asia Private Ltd, India (subsidiary). Balance Sheet of the subsidiary, as at March 31, 2016 and the Income Statement for the year then ended, were audited by other Auditors in India. For the purpose of presenting consolidated financial statements of the company, the financials of the subsidiary provided by the Company were included on "as is" basis.

The Financial Statements of the subsidiary were denominated in Indian Rupees and translated into USD for consolidation. Such translation of Income for the current year and Assets and Liabilities (excluding outstanding in the nature of long term investments of the holding company in the subsidiary), in terms of *Accounting Standards Codification 830 (FASB ASC 830, previously known as FASB 52)*, Foreign Currency Translation, as of March 31, 2016, has resulted in aggregate translation loss of $ 1,245,094 ($ 1,064,959, as of March 31, 2015). Accumulated Other Comprehensive Income (Loss) as on March 31, 2016 stands at ($ 709,704) [($ 607,027) as of March 31, 2015], net of tax component (benefit) $ 535,390, as of March 31, 2016 (benefit, $ 457,932 as of March 31, 2015). Accumulated Other Comprehensive Income (Loss) and Tax Component on Other Comprehensive Income as of March 31, 2016 were reported under the Stockholders' Equity and Current Assets of the balance sheet, respectively and the effects of Currency Translation (Loss) on Cash and Cash equivalents (i.e., Gross increase translation loss of $ 180,135)) has been shown as adjustment to arrive at the Cash at end of year, on the Cash Flow Statement. Changes in Accumulated Other Comprehensive Income (net of tax) during the year have been shown as part of Changes in Stockholders' Equity.

NOTE 10- OTHER CURRENT ASSETS:

Other Current Assets consists of the following, which are recoverable in next one year period:

	March 31, 2016	March 31, 2015
Employee Advances	$ 23,891	$ 41.966
Advances to Vendors	1,997	-
Other Advances	9,444	22,103
Prepaid Government dues	161,512	11,962
Other Current Assets	2,514	-
Total	$ 199,358	$ 76,031

INTELLECT DESIGN ARENA, INCORPORATED

Notes to Consolidated Financial Statements (continued)

NOTE 11- OTHER CURRENT LIABILITIES:

Other Current Liabilities consists of the following, which are payable in next one year period:

	March 31, 2016	March 31, 2015
Advances Received	$ 62,896	$ -
Employee Related Payables	6,500	-
Payroll Withholding Payables	35,945	27,486
Other Current Liabilities	960	2,622
Total	$ 106,301	$ 30,108

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SCHEDULE 1 CONSOLIDATING INFORMATION AND SCHEDULES 2 & 3 SUPPLEMENTARY INFORMATION

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
SCHEDULE I TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATING INFORMATION - CONSOLIDATING BALANCE SHEET
AS OF MARCH 31, 2016

	Intellect Design Arena, Incorporated	India Subsidiary Audited	Consolidating Entries	Consolidated Totals
ASSETS				
Current Assets:				
Cash In Bank & Cash Equivalents	$ 626,014	$ 1,061,291	$ -	$ 1,687,305
Accounts Receivable	2,102,874	2,491,792	(2,284,141)	2,310,525
Revenue in Excess of Billing	3,310,595	-	-	3,310,595
Dues Receivable from Related Entities	1,045,747	(6,120)	-	1,039,627
Prepaid Expenses & Taxes	295,495	331,462	-	626,957
Other Current Assets	20,986	178,372	-	199,358
Tax on Other Comprehensive Income (Loss)	-	535,390	-	535,390
TOTAL CURRENT ASSETS:	7,401,711	4,592,187	(2,284,141)	9,709,757
Property & Equipment:				
Land	-	2,910,257	-	2,910,257
Property, Equipment, Furniture & Fixtures	44,419	395,243	-	439,662
Capital Work in Progress	289,573	-	-	289,573
TOTAL PROPERTY & EQUIPMENT:	333,992	3,305,500	-	3,639,492
Other Assets :				
Investments in Subsidiary	7,476,593	-	(7,476,593)	-
Investment in Related Entities	250,000	-	-	250,000
Software Development Cost	773,023	-	-	773,023
Security Deposits	24,493	29,248	-	53,741
Deferred Tax Asset	-	10,335	-	10,335
TOTAL OTHER ASSETS :	8,524,109	39,583	(7,476,593)	1,087,099
TOTAL ASSETS :	$ 16,259,812	$ 7,937,270	$ (9,760,734)	$ 14,436,348
LIABILITIES AND STOCKHOLDERS' EQUITY :				
Current Liabilities:				
Accounts Payable	$ 5,329,851	$ 111,036	$ (2,284,141)	$ 3,156,746
Billing in excess of Revenue	490,538	-	-	490,538
Dues Payable to Related Entities	84,763	(15,443)	-	69,320
Accrued Expenses & Taxes	2,012,099	182,765	-	2,194,864
Other Current Liabilities	6,767	99,534	-	106,301
Loan from Bank	-	792,489	-	792,489
TOTAL CURRENT LIABILITIES:	7,924,018	1,170,381	(2,284,141)	6,810,258
Term Liabilities				
Term Loan from Group Entity (Excluding Current)				
Term Loan	12,356,903	-	-	12,356,903
TOTAL TERM LIABILITIES	12,356,903	-	-	12,356,903
TOTAL LIABILITIES:	20,280,921	1,170,381	(2,284,141)	19,167,161
Stockholders' Equity:				
Stock Capital	7,005,000	6,984,155	(6,984,155)	7,005,000
General Reserve	(4,018,650)	-	-	(4,018,650)
Retained Earnings	(7,007,459)	492,438	(492,438)	(7,007,459)
Accumulated Other Comprehensive Income	-	(709,704)	-	(709,704)
TOTAL STOCKHOLDERS' EQUITY:	(4,021,109)	6,766,889	(7,476,593)	(4,730,813)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY:	$ 16,259,812	$ 7,937,270	$ (9,760,734)	$ 14,436,348

See independent accountants' report.

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
SCHEDULE I TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATING INFORMATION - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2016

	Intellect Design Arena, Incorporated	India Subsidiary Audited	Consolidating Entries	Consolidated Totals
REVENUES				
Revenue from Operations (Net)	$ 10,845,124	$ 2,284,141	$ (2,284,141)	$ 10,845,124
LESS COST OF SALES				
Direct Cost	5,273,137	1,711,285	(2,284,141)	4,700,281
	5,273,137	1,711,285	(2,284,141)	4,700,281
GROSS PROFIT	5,571,987	572,856	-	6,144,843
EXPENSES				
Operating Expenses	10,685,324	582,034	-	11,267,358
Depreciation	11,154	28,796	-	39,950
TOTAL	10,696,478	610,830	-	11,307,308
INCOME FROM OPERATIONS	(5,124,491)	(37,974)	-	(5,162,465)
OTHER INCOME AND EXPENSES				
Interest Income	60	171,005		171,065
Miscellaneous Income	-	41,645		41,645
Exchange Transaction Gain (Loss)	(368,036)	16,081	-	(351,955)
Income (Loss) from Investment in Subsidiary	117,842	-	(117,842)	-
Interest Expense	(249,631)	(7,560)	-	(257,191)
TOTAL OTHER INCOME (EXPENSES)	(499,765)	221,171	(117,842)	(396,436)
NET INCOME BEFORE INCOME TAXES	(5,624,256)	183,197	(117,842)	(5,558,901)
Less :				
Income Taxes	4,298	65,355	-	69,653
NET INCOME	(5,628,554)	117,842	(117,842)	(5,628,554)
OTHER COMPREHENSIVE INCOME				
Foreign Currency Translation Adjustments	-	(102,677)	-	(102,677)
COMPREHENSIVE INCOME	$ (5,628,554)	$ 15,165	$ (117,842)	$ (5,731,231)

See independent accountants' report.

INTELLECT DESIGN ARENA INCORPORATED, USA & ITS SUBSIDIARY
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

SCHEDULE 2 - CONSOLIDATED SCHEDULE OF DIRECT COST

Consulting / Outsourcing Expense	$	1,545,859
Software Licenses		476,787
Software Development Charges		1,018,333
Salary & Wages		880,395
Payroll Taxes		60,802
Employee Benefits		7,270
Professional Charges		38,736
Health Insurance		79,843
Travel		30,628
Consultant Relocation Expenses		11,779
Recruitment Expenses		296,049
Staff Welfare		10,291
Visa Expenses		149,564
Telephone Expenses		93,945
TOTAL DIRECT COST	$	4,700,281

SCHEDULE 3 - CONSOLIDATED SCHEDULE OF GENERAL ADMINISTRATIVE & MARKETING EXPENSES

Audit fees	$	26,987
Advertisement		498
Administrative charges for PF		884
Bank Service Charges		5,452
Business Promotion		573,056
Software Development Charges (Indirect)		218,036
Computer Consumables		2,158
Discounts		730
Donation		1,000
Employee Benefits		62,986
Health Insurance		324,652
Insurance		22,614
Meals & Entertainment		98,701
Membership & Subscriptions		424,926
Office Expenses & Maintenance		32,903
Officers' Salary		1,588,674
Payroll Expenses		16,871
Payroll Taxes (Administration)		454,696
Postage & Courier		19,905
Power & Fuel		127,149
Printing & Stationery		15,484
Rates & Taxes		37,170
Rent		449,003
Repairs and maintenance		36,942
Salary & Wages (Administration)		5,616,399
Security Services		12,000
Staff Welfare (Administration)		2,573
Telephone (Administration)		23,486
Travel Expense (Administration)		1,071,423
TOTAL GENERAL, ADMINISTRATIVE & MARKETING EXPENSES	$	11,267,358

See independent accountants' report.