INTELLECT POLARIS DESIGN, LLC.

FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT
FOR THE YEAR ENDED MARCH 31, 2021

PANDYA KAPADIA BHATT
& ASSOCIATES, CPAs
CERTIFIED PUBLIC ACCOUNTANTS
www.pandyacpa.com
T : (908) 769-6500
F : (908) 769-6503
50 Cragwood Road
Suite 205,
So. Plainfield, NJ 07080

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Members
Intellect Polaris Design, LLC.
20 Corporate Place South
Piscataway, NJ 08854

We have reviewed the accompanying financial statements of Intellect Polaris Design, LLC. (a New Jersey Limited Liability Company), which comprise the balance sheet as of March 31, 2021, and the related statements of income, changes in members' 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 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 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 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 promulgated by the Accounting and Review Services Committee of the AICPA. Those standards 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 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.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Pandya Kapadia Bhatt & Associates

Pandya Kapadia Bhatt & Associates, CPAs
South Plainfield, NJ
Date: May 7, 2021

INTELLECT POLARIS DESIGN, LLC.
BALANCE SHEET
AS OF MARCH 31, 2021

		2021
ASSETS		
Current Assets		
Cash in Bank & Cash Equivalents	$	232,184
Account Receivables		-
Prepaid Expenses		-
TOTAL CURRENT ASSETS		232,184
Property & Equipment:		
Land		600,000
Building & Improvements, Office Equipment (net)		1,193,626
TOTAL PROPERTY & EQUIPMENT:		1,793,626
TOTAL ASSETS	$	2,025,810
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accrued Expenses	$	19,164
Other Current Liabilities		14,167
TOTAL CURRENT LIABILITIES		33,331
TOTAL LIABILITIES		33,331
Members' Equity		
Members' Stock Capital		2,500,000
Retained Earning		(507,521)
MEMBERS' EQUITY		1,992,479
TOTAL LIABILITIES & MEMBERS' EQUITY	$	2,025,810

INTELLECT POLARIS DESIGN, LLC.
STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2021

		2021
REVENUES		
Rental Income from Property		$ 212,500
	TOTAL REVENUE	212,500
DIRECT COST		
Insurance		7,317
Maintenance		147,844
Property Taxes		53,542
Depreciation		63,215
TOTAL		271,918
	GROSS PROFIT (LOSS)	(59,418)
GENERAL & ADMINISTRATIVE EXPENSES		
Accountant Fees		6,000
Consultancy Fees		41,491
Utilities		3,200
TOTAL		50,691
	INCOME (LOSS) FROM OPERATIONS	(110,109)
OTHER INCOME / (EXPENSES)		
Gain on Transfer of Property		462,554
	NET INCOME (LOSS) BEFORE INCOME TAXES	352,446
Corporate Taxes - State (Current)		1,500
	NET INCOME (LOSS)	350,946

INTELLECT POLARIS DESIGN, LLC.
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED MARCH 31, 2021

	Polaris Consulting & Services Limited, India	Intellect Design Arena Limited, India	Intellect Design Arena, Incorporated, USA	Total
Members' Stock Capital as of March 31,2020	$ 2,500,000	$ 2,250,000	$ 250,000	$ 5,000,000
Less : Redemption of Membership interest	(2,500,000)	-	-	(2,500,000)
Members' Stock Capital as of March 31,2021	-	2,250,000	250,000	$ 2,500,000
Retained Earning as of March 31, 2020				$ (858,466)
Profit / Loss for the year				350,946
Retained Earning as of March 31, 2021				$ (507,521)

INTELLECT POLARIS DESIGN, LLC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021

	2021
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Income	350,946
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation Expense	63,215
Gain on sale / transfer of property to member	(462,554)
Changes In assets and Liabilities :	
(Increase) / Decrease in Assets:	
Accounts Receivable	25,028
Prepaid Expenses and Taxes & Other Current Assets	15,980
Increase / (Decrease) In Liabilities:	
Accrued Expenses & Taxes Payable	(61,836)
Net cash provided by operating activities	(69,222)
CASH FLOWS FROM INVESTING ACTIVITIES	
	-
Net cash provided/used by investing activities	
CASH FLOWS FROM FINANCING ACTIVITIES	
Membership Redemption Payout	(205,891)
Net Cash provided/used by financing activities	(205,891)
NET CASH PROVIDED DURING THE PERIOD	(275,113)
Cash & cash equivalents at the beginning of period	507,297
Cash and cash equivalents at the end of year	232,184
SUPPLEMENTAL DISCLOSURES	
Interest paid	-
Taxes paid	1,500

INTELLECT POLARIS DESIGN, LLC.

TABLE OF CONTENTS

NOTE 1 – THE COMPANY – NATURE OF OPERATIONS

Intellect Polaris Design, LLC., (the Company) was formed in the State of New Jersey on July 23, 2014, with Polaris Consulting & Services Limited, India, and Intellect Design Arena, Incorporated, US, as members. As per the operating agreement signed at the time of formation of the Company, Polaris Consulting & Services Limited was holding 95% of the membership interests and Intellect Design Arena, Incorporated, 5%. Subsequently, as of December 31, 2015, Intellect Design Arena Limited, India, has acquired 45% of the membership interests from Polaris Consulting & Services Limited and became a member.

The Company has acquired an office complex situated at 20 Corporate Place, Piscataway, New Jersey, admeasuring 75,000 sq. ft., on October 28, 2014, and it is engaged in leasing and maintenance of this office complex. US Branch of one of its members, Polaris Consulting & Services Limited leased 30,000 sq. ft. in November 2014 and subsequently, the other member, Intellect Design Arena, Incorporated also leased 25,352 sq. ft. in this complex and occupied since April 1, 2016.

During the year 2020, the property was converted into Condo consisting of two units, Unit A and Unit B. On June 30, 2020, Polaris Consulting & Services Limited, India transferred its membership interest in the company to the rest of the members in exchange for transfer of ownership of Unit A and for a final settlement of cash payout. After executing redemption agreement as on June 30, 2020, Intellect Design Arena Limited, India and Intellect Design Arena, Incorporated holds 90% and 10% of the membership in Intellect Polaris Design, respectively. Currently, Intellect Polaris Design owns only Unit B, and Unit B is occupied by Intellect Design Arena Incorporated as tenants, as per the amended lease agreements.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company's policy is to prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (US GAAP). All amounts are stated in United States dollars.

Revenue Recognition

The Company derives its revenues through lease rentals received from its tenants for the office space leased to them. Revenues are generally recognized when realized or realizable and when earned. Rental income from leasing of real property is recognized on a monthly basis in accordance with the lease agreements signed with its tenants. Direct costs are recognized in the period they are incurred and selling & general administrative expenses are recognized as incurred.

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 and disclosure of contingent liabilities at the date of financial statements and the reported revenues and expenses during the reporting period. As a result, actual amounts could differ from these estimates. Estimates are used for but not limited to accounting for allowance for doubtful accounts, useful lives of fixed assets and capitalization of cost, etc.

Cash & Cash Equivalents

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

Accounts Receivable

Accounts receivable are reported 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 those 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, 2021, the outstanding balance reported under accounts receivable $ 0 ($ 25,178, being utility charges for the month of March 2020.

Land, Building & Improvements and Equipment

Real estate is recorded at cost. Costs relating to the acquisition, development, construction and improvement of property are capitalized. Recurring capital replacements typically include tenant improvements, HVAC equipment, site improvements, and various building improvements. When retired or otherwise disposed of, the related asset cost and accumulated depreciation are cleared from the respective accounts and net difference, less any amount realized from disposition, is reflected in income. Ordinary repairs and maintenance that do not extend the life of the asset are expensed as incurred. The Company recognizes an impairment loss of the carrying amount of a long-lived asset if it is not recoverable from its undiscounted cash flows. The measurement of an impairment loss is calculated as the difference between the carrying amount and fair value of the asset unless an asset is held for sale, in which case, it would be stated at the lower of carrying amount or fair value less costs to dispose. Management reviews its long-lived assets used in operations for impairment when there is an event or change in circumstances that indicate impairment in value. The Company allocates purchase price to the fair value of the tangible assets of an acquired property (which includes the land, building, and personal property) determined by valuing the property as if it were vacant. The as-if-vacant value is allocated to land, buildings, and personal property based on management's determination of the relative fair values of these assets.

The Company's office equipment and building and improvements are depreciated using primarily the straight-line method over the estimated useful lives of the assets which range from 5 years for the equipment and 30 years for the building and improvements.

Income Taxes

The Company is an LLC with more than one owner formed under a state law, so, generally, it is treated as a partnership for federal income tax purposes. However pursuant to the Internal Revenue Code, it can file a corporate return, if it has elected to be treated as an association taxable as a corporation. The Company has filed relative form with IRS and elected to be treated as an association taxable as a corporation.

Income taxes are accounted for under the asset liability method. 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

B

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 deferred tax 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.

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 recognized during the years ended March 31, 2021 and 2020.

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, 2018.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the years ended March 31, 2021 and 2020 were nil.

NOTE 3 – DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through May 7, 2021, the date on which the financial statements were available to be issued and found no significant events requiring disclosure.

NOTE 4—LAND, BUILDING, PROPERTY & EQUIPMENT

Fixed assets at March 31st consisted of the following:

	2021	2020
Land	$ 600,000	$ 1,200,000
Building & Improvements	1,518,671	3,037,341
Office Equipment	133,250	266,500
Gross Fixed Assets	2,251,921	4,503,841
Accumulated Depreciation	(458,295)	(815,445)
Net Fixed Assets	$ 1,793,626	$ 3,688,396

B

NOTE 5 – RELATED PARTY TRANSACTIONS

The related party transactions as of March 31, 2021 are summarized as below:

Related Party	Nature of Relation	Transaction Type	Amount
Polaris Consulting & Services Limited	One of the members of the LLC – for the part of the year	Rental Income	$ 42,500
		Security Deposit received in earlier year and repaid in 2020.	25,000
Intellect Design Arena, Incorporated	One of the members of the LLC	Rental Income	$ 170,000
		Security Deposit Received	14,167

NOTE 6—FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS

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, 2021 and 2020.

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.

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

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

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 one month credit to its tenants on a regular basis. As of March 31, 2021, and 2020, the Company had tenants who are related entities. As of March 31, 2021, amounts were due from tenants aggregated to $ 0 ($ 25,028 as of March 31, 2020). Tenant accounts are typically collected within a short period of time.

NOTE 7—MEMBERSHIP INTERESTS

As at the date of formation, i.e., July 23, 2014, the membership interests in the Company were held by Polaris Consulting & Services Limited, India (95%) and Intellect Design Arena, Incorporated, USA (5%). There have been changes in the membership interests as of December 31, 2015, with divestment of 45% of the membership interests by Polaris Consulting & Services Limited, India, in favor of Intellect Design Arena Limited, India. On June 30, 2020, the membership interest was changed by Polaris Consulting & Services Limited, India transferring 45% and 5 % of its membership interest to Intellect Design Arena Limited, India and Intellect Design Arena, Incorporated, USA, respectively. Following is the position of membership interests as of March 31, 2021:

Name of the member	Membership Interests held (%)
Intellect Design Arena Limited, India	90%
Intellect Design Arena, Incorporated, USA	10%

The management confirms that there have been no changes in the Company's membership interests thereafter till May 7, 2021, the date on which the financial statements were available to be issued.

***