

**Intellect Design Arena Limitd GmbH**  
**Unaudited Balance Sheet as at 31st March 2022**

<b>Particulars</b>	<b>Amount in EUR</b>	
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,185	-
Right-of-use-assets	2,594	5,314
Financial assets		
- Loans and deposits	1,240	1,240
Deferred tax assets (net)	2,23,804	75,438
<b>CURRENT ASSETS</b>		
Investment in subsidiary		
Financial asset		
- Trade receivables	4,56,098	-
- Cash and Cash equivalents	2,77,692	9,34,545
- Other financial assets	41,53,961	43,52,733
Other current assets	77,385	13,223
<b>TOTAL</b>	<b>51,93,959</b>	<b>53,82,493</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	25,000	25,000
Other Equity	7,07,065	1,38,420
<b>Total Equity</b>	<b>7,32,065</b>	<b>1,63,420</b>
<b>NON-CURRENT LIABILITIES</b>		
Financial Liabilities		
- Lease Liability	3,063	5,911
<b>CURRENT LIABILITIES</b>		
Financial Liabilities		
- Trade payables	33,26,777	38,95,727
- Other financial liabilities	1,14,590	32,135
Other current liabilities	6,92,824	11,49,404
Current Tax liabilities (Net)	3,24,640	1,35,896
<b>TOTAL</b>	<b>51,93,959</b>	<b>53,82,493</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of  
Intellect Design Arena Limitd GmbH**

Date : 04th May'22  
Place : Frankfurt,Germany

**Sd  
Vijaya Raghavan Narasimhan  
Director**

**Intellect Design Arena Limitd GmbH****Unaudited Profit and Loss Account for the period ended Mar 31, 2022****Amount in EUR**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>INCOME</b>		
Revenue from operations	37,81,968	46,43,485
Other Income	641	497
Finance Income	2,40,535	64,218
<b>TOTAL INCOME</b>	<b>40,23,144</b>	<b>47,08,200</b>
<b>Expenses</b>		
Employee benefit expenses	7,69,099	93,111
Depreciation and amortization expenses	6,338	2,130
Finance costs	1,145	2,069
Other expenses	26,28,565	44,07,495
<b>Total Expenses</b>	<b>34,05,147</b>	<b>45,04,806</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>6,17,997</b>	<b>2,03,394</b>
<b>Profit before extraordinary items and tax</b>	<b>6,17,997</b>	<b>2,03,394</b>
Extraordinary Items		
<b>PROFIT BEFORE SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURE AND TAX</b>	<b>6,17,997</b>	<b>2,03,394</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>	<b>6,17,997</b>	<b>2,03,394</b>
<b>TAX EXPENSES</b>		
Income taxes - Current tax	1,97,718	1,40,412
- Deferred tax	(1,48,367)	(75,438)
<b>PROFIT FOR THE YEAR</b>	<b>5,68,645</b>	<b>1,38,420</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

**For and on behalf of the Board of Directors of  
Intellect Design Arena Limitd GmbH**Date : 04th May'22  
Place : Frankfurt,Germany**Sd**  
**Vijaya Raghavan Narasimhan**  
**Director**

**Intellect Design Arena Limitd GmbH****Unaudited Statement of cash flow for the year ended March 31, 2022**

<b>Particulars</b>	<b>Amount in EUR</b>	
	<b>Mar 31, 2022</b>	<b>Mar 31, 2021</b>
<b>Cash flows from / (used in) operating activities</b>		
Profit for year before tax	6,17,997	2,03,394
<b>Adjustments to reconcile profit / (loss) for the year to net cash flows</b>		
Depreciation and amortization expenses	6,338	2,130
Interest expense	1,145	2,069
<b>Operating Profit before working capital changes</b>	<b>6,25,480</b>	<b>2,07,594</b>
<b>Movement in working capital</b>		
Decrease / (Increase) in trade receivables	(4,56,098)	-
Decrease / (Increase) in financial assets and other assets	1,34,609	(43,65,956)
Increase / (Decrease) in financial liabilities, other liabilities and provisions	(9,54,241)	50,94,757
<b>Cash flow from / (used in) operations</b>	<b>(6,50,250)</b>	<b>9,36,394</b>
Income taxes (paid) / net of refunds	(8,974)	(4,516)
<b>Net cash (used in) / from operating activities (A)</b>	<b>(6,59,224)</b>	<b>9,31,878</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment and changes in capital work in	1,354	
<b>Net cash (used in) / from investing activities (B)</b>	<b>1,354</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Payment of principal portion of lease liabilities	1,017	2,666
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>1,017</b>	<b>2,666</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (A+B+C+D)</b>	<b>(6,56,852)</b>	<b>9,34,545</b>
Exchange differences on translation of foreign currency cash and cash equivalents (D)	-	-
Cash and cash equivalents at the beginning of the year	9,34,545	-
<b>Cash and cash equivalents at the end of the year</b>	<b>2,77,692</b>	<b>9,34,545</b>
<b>Cash and cash equivalents</b>	<b>2,77,692</b>	<b>9,34,545</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

Date : 04th May'22

Place : Frankfurt, Germany

**For and on behalf of the Board of  
Directors of  
Intellect Design Arena Limitd GmbH**

**Sd  
Vijaya Raghavan Narasimhan  
Director**

**Intellect Design Arena Limitd GmbH**

**Other equity**

**Statement of Changes in Equity for the year ended 31st Mar 2022 Amount in EUR**

Particulars		Total Equity
	Retained earnings	
As at 1st April 2021	1,38,420	1,38,420
Profit / (Loss) for the year	5,68,645	5,68,645
<b>As at Statement of Changes in Equity for the year ended 31st Mar 2022</b>	<b>7,07,065</b>	<b>7,07,065</b>

**Other equity**

**Statement of Changes in Equity for the year ended 31st Mar 2021**

Particulars		Total Equity
	Retained earnings	
As at 1st April 2020	-	-
Profit / (Loss) for the year	1,38,420	1,38,420
<b>As at Statement of Changes in Equity for the year ended 31st Mar 2021</b>	<b>-</b>	<b>1,38,420</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

Date : 04th May'22

Place : Frankfurt, Germany

**For and on behalf of the  
Intellect Design Arena Limitd GmbH**

**Sd  
Vijaya Raghavan Narasimhan  
Director**

**Intellect Design Arena Limited GmbH****Plant property and equipment Amount in EUR**

<b>Germany</b>		
<b>Particulars</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
<b>Gross block</b>		
<b>As at April 1, 2021</b>	-	-
Additions	1,354	1,354
Deletions	-	-
<b>As at Mar 31, 2022</b>	<b>1,354</b>	<b>1,354</b>
<b>Depreciation</b>		
<b>As at April 1, 2021</b>	-	-
For the year	169	169
Deletions	-	-
<b>As at Mar 31, 2022</b>	<b>169</b>	<b>169</b>
<b>Net book value</b>		
<b>As at Mar 31, 2021</b>	-	-
<b>As at Mar 31, 2022</b>	<b>1,185</b>	<b>1,185</b>

<b>Intellect Design Arena Limitd GmbH</b>		
<b>Notes to the Financial Statements for the year ended 31st Mar'2022</b>		<b>Amount in EUR</b>
<b>Particulars</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>Income</b>		
<b>INCOME FROM SOFTWARE SERVICES AND PRODUCTS</b>		
Revenue from operations	37,81,968	46,43,485
<b>Total</b>	<b>37,81,968</b>	<b>46,43,485</b>
<b>Finance Income</b>		
Interest Income		
Interest on others	2,40,535	64,218
<b>Total</b>	<b>2,40,535</b>	<b>64,218</b>
<b>Other Income</b>		
Other non-operating Income		
Miscellaneous Income, Net	500	497
Net Gain on foreign currency transaction and translation (other than considered as finance cost)	141	1
	<b>641</b>	<b>497</b>
<b>Expenses</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and incentive		
Salaries and bonus	6,94,732	84,120
Social security and other benefit plans for overseas employees	74,858	7,841
Staff welfare expenses	(491)	1,150
	<b>7,69,099</b>	<b>93,111</b>
<b>OTHER EXPENSES</b>		
Cost of software packages, consumable and maintenance	63,673	-
Cost of technical sub-contractors	24,99,413	43,70,981
Travelling expenses	7,390	500
Communication expenses	914	20
Professional and Legal charges	33,449	33,411
Business promotion	409	-
Office maintenance	810	-
Rent	531	669
Rates and taxes excluding Taxes on Income	210	36
Bank charges & commission	4,747	1,878
Miscellaneous expenses	17,020	
	<b>26,28,565</b>	<b>44,07,495</b>
<b>FINANCE COST</b>		
Interest Expenses	1,145	2,069
	<b>1,145</b>	<b>2,069</b>
<b>Depreciation and amortization expenses</b>	<b>6,338</b>	<b>2,130</b>

<b>Intellect Design Arena Limitd GmbH</b>		
<b>Notes to the Financial Statements for the year ended 31st Mar'2022</b>		
	<b>Amount in EUR</b>	
<b>Particulars</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>Loans and deposits, carried at amortized cost</b>		
Unsecured considered good		
- Security Deposits	1,240	1,240
<b>Total</b>	<b>1,240</b>	<b>1,240</b>
<b>DEFERRED TAX ASSETS (NET)</b>		
<i>Deferred Tax Liability</i>		
Property, Plant and Equipment	2,23,804	75,438
<b>Total</b>	<b>2,23,804</b>	<b>75,438</b>
<b>Cash and cash equivalent carried at amortized cost</b>		
Cash on hand		
- On Current accounts	2,77,692	9,34,545
<b>Total</b>	<b>2,77,692</b>	<b>9,34,545</b>
Trade receivables		
Trade receivables	4,56,098	-
	<b>4,56,098</b>	-
<b>Other financial assets carried at amortized cost</b>		
Revenues accrued and not billed	41,97,581	43,52,733
Others receivable	(43,620)	-
<b>Total</b>	<b>41,53,961</b>	<b>43,52,733</b>
<b>OTHER CURRENT ASSETS</b>		
Advances to related parties	51,092	13,223
Prepayments and other recoveries	26,294	-
<b>Total</b>	<b>77,385</b>	<b>13,223</b>
<b>SHARE CAPITAL</b>		
<b>Issued, Subscribed and Paid up</b>	25,000	25,000
<b>Total</b>	<b>25,000</b>	<b>25,000</b>
<b>Trade payable</b>		
Trade payable	33,26,777	38,95,727
<b>Total</b>	<b>33,26,777</b>	<b>38,95,727</b>
<b>Other financial liabilities carried at amortized cost</b>		

Employee benefit payable	1,14,590	32,135
<b>Total</b>	<b>1,14,590</b>	<b>32,135</b>
<b>OTHER CURRENT LIABILITIES</b>		
Payable to related parties	-	1,50,000
Billings in excess of revenues	6,57,454	8,84,631
Statutory dues	35,370	1,14,773
<b>Total</b>	<b>6,92,824</b>	<b>11,49,404</b>
<b>CURRENT PROVISIONS</b>		
<b>CURRENT TAX LIABILITIES (NET)</b>		
Current Tax Liabilities	3,24,640	1,35,896
<b>Total</b>	<b>3,24,640</b>	<b>1,35,896</b>



	<b>Amount in EUR</b>
<b>Particulars</b>	<b>Right of use asset</b>
<b>Gross Block</b>	
As at April 1, 2020	7,444.20
Additions	3,448.93
Translation Difference	-
Deletions	-
<b>As at Sep 30, 2021</b>	<b>10,893.13</b>
<b>Right of use asset -Accumulated Depreciation</b>	
As at April 1, 2020	2,130.29
Depreciation charge for the year	6,169.23
Translation Difference	-
Disposals	
<b>As at Sep 30, 2021</b>	<b>8,299.52</b>
<b>As at Sep 30, 2021</b>	<b>2,593.61</b>
<b>As at Mar 31, 2021</b>	<b>5,313.91</b>

**Intellect Design Arena Limitd GmbH**  
**Notes to Financial Statements for the year ended Mar 31, 2022**

- 1** Corporate Information  
Intellect Design Arena Limitd GmbH is a company incorporated in India on 20th August 2020 with the objective of developing and distributing computer software and providing services relating to development and maintenance of computer software.  
Intellect Design Arena Limitd GmbH is subsidiary of Intellect Design Arena Limited
- 2** Basis of preparation of financial statements  
These financial statements are prepared in accordance with Internationally Generally Accepted Accounting Principals.
- 3** Summary of Significant accounting policies
- 3.1. Current versus non-current classification  
An asset has been classified as current when it satisfies any of the following criteria;  
a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;  
b) It is held primarily for the purpose of being traded;  
c) It is expected to be realized within twelve months after the reporting date; or  
d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.  
A liability has been classified as current when it satisfies any of the following criteria;  
a) It is expected to be settled in the Company's normal operating cycle;  
b) It is held primarily for the purpose of being traded;  
c) It is due to be settled within twelve months after the reporting date; or  
d) The Company does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.  
All other assets and liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products/activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.
- 3.2. Fair value Measurement  
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability c) The principal or the most advantageous market must be accessible by the Company.
- 3.3 Use of Estimates  
The preparation of the financial statements in conformity with Internationally Generally Accepted Accounting requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made.  
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.
- 3.4 Cash and cash equivalents  
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in value.  
Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 3.5 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the

Sale of Services which includes:

#### (a) Software development and support services

Revenue from software development and support services comprises income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue from fixed-price contracts is recognized in accordance with the proportionate completion method, where there is no uncertainty on the measurability and collectability of the consideration. Provision for estimated losses on incomplete contract is recorded in the year in which such losses become probable based on the current contract

#### (b) Product licenses and related revenues

Revenues from product licenses and related services includes income under multiple element arrangements recognized as follows:

Revenue from software development contract and time bound contracts are recognized using proportionate completion method over the life of the contract. Provision for estimated losses, if any, on incomplete contracts are recorded in the year in which such losses become probable based on current contract estimates.

Product maintenance revenues are recognized over the period of the maintenance contract. Revenue from sale of licenses which are not in the nature of multiple element arrangements are recognized upon delivery of these licenses which constitute transfer of all risks and rewards and has no further obligations under those arrangements.

Revenue from time and material contracts are recognised as services are rendered and related costs are incurred.

Revenue in excess of billing represents earnings on ongoing fixed price and time and material contracts over amounts invoiced to customers.

Billings in excess of revenue represent amounts billed in case of ongoing fixed price and time and material contracts wherein amounts have been billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

Other Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

### 3.6 Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

### 3.7 .Property, plant and equipment:

Plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable in bringing the asset to its working condition for its intended use. Material replacement cost is capitalized provided it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced is derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life. All other repair and maintenance costs are recognised in profit or loss as incurred. Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives prescribed in Schedule II of the Companies Act

### 3.8 Taxes

Current Tax for the current year is computed as per the provisions of Income tax Act,Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

