



PRAKASH S. JAIN & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To,
The Board of Directors,
InfoBeans Technologies Limited
Indore

Opinion

We have audited the standalone financial statements of **InfoBeans Technologies Europe GmbH** (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

These standalone financial statements have been audited solely for the purpose of consolidation of its accounts with the Holding Company as per the requirements of Accounting Standards (AS) 21- "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies (Indian Accounting Standards) Rules, 2015.

Report on Other Legal and Regulatory Requirements

1. We do not enclose statement on the matters specified in paragraphs 3 and 4 of the Order as required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 being a foreign Company.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

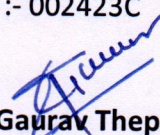


- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) Being a foreign company the provisions of Section 164(2) of the Act are not applicable to the Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Indore
Date: 26th April, 2021



For Prakash S. Jain & Co.
Chartered Accountants
FRN :- 002423C


CA. Gaurav Thepadia
Partner
M. No. 405326
UDIN: 21405326AAAAEL1366

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **InfoBeans Technologies Europe GmbH** ("the Company"), as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating



effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



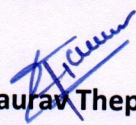
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Indore
Date: 26th April, 2021



For Prakash S. Jain & Co.
Chartered Accountants
FRN :- 002423C


CA. Gaurav Thepadia
Partner
M. No. 405326
UDIN: 21405326AAAAEL1366

INFOBEANS TECHNOLOGIES EUROPE GMBH
Standalone Balance Sheet as at March 31, 2021

		(Amount in Rs.)	
Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	57,433	62,180
(b) Financial assets			
i) Other financial assets	3	43,050	41,525
Total non-current assets		100,483	103,705
2 Current assets			
(a) Inventories	4	-	-
(b) Financial assets			
i) Trade receivables	5	17,859,652	15,579,304
ii) Cash and cash equivalents	6	8,261,213	8,464,520
iii) Other financial assets	7	3,633,129	327,384
(c) Other current assets	8	111,929	-
Total current assets		29,865,922	24,371,208
Total assets (1+2)		29,966,405	24,474,913
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	9	24,000,096	23,150,076
(b) Other equity	10	(29,695,350)	(8,990,922)
Total equity		(5,695,253)	14,159,154
2 Liabilities			
Current Liabilities			
(a) Financial liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises			
i) enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises			
ii) enterprises and small enterprises	11	33,594,184	7,829,104
(b) Other current liabilities	12	2,067,474	2,486,655
Total current liabilities		35,661,658	10,315,759
Total equity and liabilities (1+2)		29,966,405	24,474,913

See accompanying notes forming part of the financial statements

In terms of our report attached
For Prakash S. Jain & Co.
Chartered Accountants
FRN. 002423C

CA. Gaurav Thepadia
(Partner)
M.No. 405326



For and on behalf of Board of Directors of Holding Company of InfoBeans Technologies Europe GmbH

Siddharth Sethi
Managing Director
(DIN : 01548305)

Avinash Sethi
Director & CFO
(DIN : 01548292)

Place : Indore
Date : Apr 26, 2021

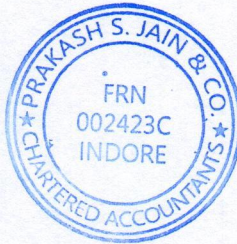
INFOBEANS TECHNOLOGIES EUROPE GMBH
Statement of profit and loss for the year ended March 31, 2021

(Amount in Rs.)			
Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
1 Income			
(a) Revenue from Operations	13	80,841,592	56,604,819
(b) Other Income	14	-	870
Total Revenue (I)		80,841,592	56,605,689
2 Expenses			
(a) Employee Benefits Expense	15	7,876,953	8,620,020
(b) (Increase)/Decrease in Technical Development WIP	16	-	-
(c) Depreciation and Amortization Expenses	2	7,016	-
(d) Other Expenses	16	93,080,867	43,888,926
Total Expenses (II)		100,964,835	52,508,946
3 Profit Before Tax (I - II)		(20,123,243)	4,096,744
4 Tax Expense			
(a) Current Tax		-	-
(b) Deferred Tax		-	-
5 Profit for the Year		(20,123,243)	4,096,744
6 Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss		-	-
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income		-	-
7 Total Comprehensive Income for the year		(20,123,243)	4,096,744
8 Earning Per Equity Share			
Equity Shares of par value Eur 1/- each			
(1) Basic (₹)		(72.19)	14.70
(2) Diluted (₹)		(72.19)	14.70

See accompanying notes forming part of the financial statements

In terms of our report attached
For Prakash S. Jain & Co.
Chartered Accountants
FRN. 002423C

CA. Gaurav Thepadia
(Partner)
M.No. 405326



Siddharth Sethi
(Managing Director)
(DIN : 01548305)

For and on behalf of Board of Directors of Holding
Company of InfoBeans Technologies Europe GmbH

Avinash Sethi
(Director and Chief Financial Officer)
(DIN : 01548292)

Place : Indore
Date : Apr 26, 2021

INFOBEANS TECHNOLOGIES EUROPE GMBH
Notes Forming Part of Financial Statements

1 Company Overview

InfoBeans Technologies Europe GmbH having its registered office at UBockenheimer Landstraße 51-53 60325, Frankfurt am Main is a 100% Subsidiary of InfoBeans Technologies Limited ("The Holding Company") situated in India. The Holding Company is a CMMI level 3. The Company is a software services company specializing in business IT Services. Our business is primarily engaged in providing custom developed services to offshore clients. InfoBeans provides software engineering services primarily in Custom Application Development (CAD), Content Management Systems (CMS), Enterprise Mobility (EM), Big Data Analytics (BDA).

2 Significant accounting policies

a Basis of Preparation of Financial Statements:

These financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policy below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting transactions are recorded in US Dollars which is the local currency for preparation of financial statements. The accompanying financial statements have been prepared in Indian rupees being the national currency of India only for the purpose of consolidation of accounts with the Holding Company as per the requirements of Accounting Standards (AS) 21- "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies Accounting Standard Rules, 2014.

Assets and Liabilities are translated into Indian Rupees at the exchange rate of 1 AED = 20.5100 INR prevailing as at the Balance Sheet date. Revenues and expenses are translated into Indian Rupee at average rate of 1 AED = 19.3035 INR and the resulting net exchange differences are accumulated in Foreign Currency Translation Reserve, as the operations of the subsidiary are considered as Non-Integral Foreign operations.

b Revenue

Revenue from information technology and related services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and fixed price development contracts.

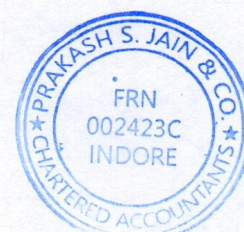
Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items. Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed price maintenance contracts is recognised ratably over the period of the contract in accordance with its terms.

Revenue on fixed price development contracts is recognised using the 'percentage of completion' method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billings in excess of revenue



c Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

d Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Company's accounting policy.

Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Depreciation is recognised so as to write off the cost of assets (other than free hold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Estimated useful lives of the assets are as follows:

Particulars	Useful life	
	As per Company	As per Schedule II
Leasehold improvements	10	3 to 15
Electric installation	10	10
Office equipments	5	5
Furniture and fixtures	10	10
Vehicles	8	8
Computers	5	3 to 6

e Impairment of tangible and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication that those assets have suffered any impairment loss.

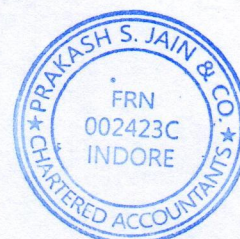
If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. Reversal of an impairment loss is recognised immediately in profit or loss.

f Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all applicable overheads in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to make the sale.



g

Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that the outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits to be received from the contracts.

h

Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

(ii) Financial assets

(I) Classification of financial assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

(II) Subsequent measurement

- Debt Instrument - amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

(a) if the asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

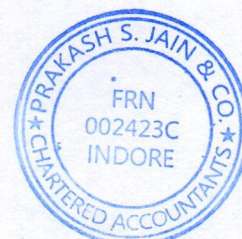
- Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.

(b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.



- Fair value through Profit and Loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(III) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be

(IV) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimating future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.



(V) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(iii) Financial liabilities and

(I) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(II) Subsequent measurement

- Financial liabilities measured at amortised cost:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

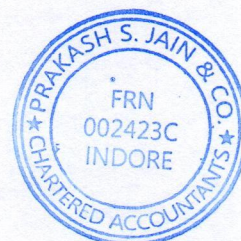
- Financial liabilities measured at fair value through profit and loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.



(III) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(IV) Fair value measurement

The Company measures financial instruments such as debts and certain investments, at fair value at each balance sheet date.

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:

- In the principal market for the asset or liability or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(V) Financial Guarantee contracts

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

i

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

k

Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results are anti-dilutive.

2(a)

Key accounting judgements and estimates

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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:

(i) Useful lives of property, plant and equipment

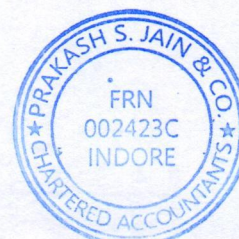
The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(iii) Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.



a)

Mandatory exceptions:

(i) Accounting estimates:

The Company's estimates in accordance with Ind AS at the date of transition are consistent with previous GAAP (after adjustments to reflect any difference in accounting policies) or are required under Ind AS but not under previous GAAP.

(ii) De-recognition of financial assets and financial liabilities:

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 01 April, 2018 (the transition date).

(iii) Classification and measurement of financial assets:

The Company has determined the classification and measurement of financial assets in terms of whether they meet the amortised cost criteria or the fair value criteria based on the facts and circumstances that existed as on the transition date.

(iv) Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

b)

Optional exemptions:

(i) Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to carry all assets at carrying value as at April 1, 2018 as deemed cost, recognized as of April 1, 2018 (transition date) as per Ind AS.

(ii) Determining whether an arrangement contains a lease:

The Company has applied Appendix C of Ind AS 17 to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) have not notified or issued any amendments to standards which is effective from April 1, 2020 to the Company.



INFOBEANS TECHNOLOGIES EUROPE GMBH
Statement of changes in equity for the year ended March 31, 2021

9. Equity share capital

	(Amount in Rs.)
Balance as at March 31, 2020	23,150,076
FCTR	850,020
Issue of equity shares	
Balance as at March 31, 2021	24,000,096

10. Other equity

Particulars	Reserves and Surplus		Total Other Equity
	General reserve	Retained earnings	
Balance as at April 1, 2019	(2,102,147)	(10,350,163)	(12,452,310)
Profit for the year	-	4,096,744	4,096,744
FCTR during the year	(635,356)	-	(635,356)
Recognition of share based payment expenses	-	-	-
Transactions with owners in their capacity as owners	-	-	-
- Dividend (including Dividend Tax)	-	-	-
Balance as at March 31, 2020	(2,737,503)	(6,253,419)	(8,990,922)
Profit for the year	-	(20,123,243)	(20,123,243)
FCTR during the year	(581,184)	-	(581,184)
Recognition of share based payment expenses	-	-	-
Transactions with owners in their capacity as owners	-	-	-
- Dividend (including Dividend Tax)	-	-	-
Balance as at March 31, 2021	(3,318,687)	(26,376,663)	(29,695,350)

In terms of our report attached
For Prakash S. Jain & Co.
Chartered Accountants
FRN. 002423C

**For and on behalf of Board of Directors of Holding
Company of InfoBeans Technologies Europe GmbH**

CA. Gaurav Thepadia
(Partner)
M.No. 405326



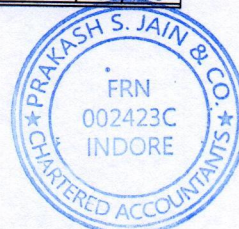
Siddharth Sethi
Managing Director
(DIN : 01548305)

Avinash Sethi
Director & CFO
(DIN : 01548292)

Place : Indore
Date : Apr 26, 2021

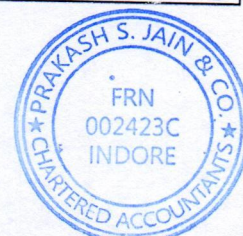
InfoBeans Technologies Europe GmbH
Notes Forming Part of Financial Statements

		(Amount in ₹)	
Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020	
NOTE '3'			
OTHER FINANCIAL ASSETS			
Security Deposits	43,050	41,525	
Total	43,050	41,525	
NOTE '4'			
INVENTORIES			
Opening Balance	-	-	
Add: Addition during the Year	-	-	
Less: Utilised during the Year	-	-	
Closing Balance	-	-	
Total	-	-	
NOTE '5'			
TRADE RECEIVABLES (Unsecured, Consider Good)			
Outstanding for a period less than six months from the date they are due	17,859,652	15,579,304	
Outstanding for a period exceeding than six months from the date they are due	-	-	
Less: Provision for Doubtful Debts	-	-	
Total	17,859,652	15,579,304	
NOTE '6'			
CASH AND BANK BALANCES			
Cash and Cash Equivalents	-	-	
Balance with Banks	-	-	
Cash on Hand	-	-	
State Bank of India	8,261,213	8,464,520	
Total	8,261,213	8,464,520	
NOTE '7'			
OTHER FINANCIAL ASSETS			
-Other Advances	300,616	193,259	
-Unbilled Revenue	3,332,513	134,125	
Total	3,633,129	327,384	
NOTE '8'			
OTHER CURRENT ASSETS			
-Prepaid Expenses	111,929	-	
Total	111,929	-	
NOTE '11'			
TRADE PAYABLE			
Total outstanding dues of micro and small enterprises	-	-	
Total outstanding dues of creditors other than micro and small enterprises	33,594,184	7,829,104	
Total	33,594,184	7,829,104	
NOTE '12'			
OTHER CURRENT LIABILITIES			
VAT Payable	2,067,474	2,486,655	
Total	2,067,474	2,486,655	



(Amount in ₹)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
NOTE '13'		
REVENUE FROM OPERATIONS		
Sale of Software	-	-
Export	77,488,872	56,604,819
Domestic	3,352,721	
Unbilled		
Total	80,841,592	56,604,819
NOTE '14'		
OTHER INCOME		
Interest Income	-	870
Total	-	870
NOTE '15'		
EMPLOYEE BENEFIT EXPENSES'		
Salaries, Wages & Allowances	7,876,953	8,620,020
Total	7,876,953	8,620,020
NOTE '16'		
OTHER EXPENSES		
Rent	692,189	904,576
Insurance		1,881
Travelling Expenses	143,445	346,358
Bank Charges		141,384
Bad Debts Write Off		-
Postage Exp		260
Internet Charges		-
Legal & Consultancy	20,261,161	5,747,048
Tea and Food Expenses		-
Business Promotion Exp		8,503,375
Telephone Expenses	14,055	77,290
Software License and Subscription Fees		-
Professional Fees	68,086,709	28,166,753
Sales and Business Promotion	296,322	
Trade Tax	3,470,679	
Auditors Remunerations		-
Miscellaneous Expenses	116,307	-
Total	93,080,867	43,888,926
NOTE '17'		
EARNINGS PER SHARE (EPS)		
(a) Net Profit/(Loss) after tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹)	(20,123,243)	4,096,744
(b) Weighted Average number of equity share used as denominator for calculating EPS (Nos.)	278,750	278,750
(c) Basic and Diluted Earning per share (₹)	(72.19)	14.70
(d) Face Value per equity shares (EURO)	1	1



InfoBeans Technologies DMCC
Notes Forming Part of Financial Statements

18 SERVICES RENDERED:

		(Amount in ₹)	
Particular		2020-21	2019-20
Software Development Services		80,841,592	56,604,819
Total		80,841,592	56,604,819

19 DETAILS OF RELATED PARTIES AND THEIR RELATIONSHIP

I. Related Parties and their relationship	
a) Key Managerial Personal	
- Mr. Siddharth Sethi	Director
b) Associates	
- InfoBeans INC	Fellow Subsidiary
- InfoBeans Technologies DMCC	Fellow Subsidiary
- Philosophie Group Inc	WOS of Fellow Subsidiary
c) Holding Company	
- InfoBeans Technologies Limited	

II. The following transaction were carried out with the Related Parties in the ordinary course of Business -

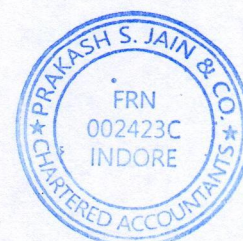
S.No.	Particular	Year ended March 31, 2021	Year ended March 31, 2020
1	Transactions with Subsidiary Company		
	- InfoBeans Technolgies Ltd. (Professional Fees Paid)	28,862,777	3,77,72,500
2	Investment by Holding Company		
	- InfoBeans Technolgies Ltd.	24,000,096	23,150,076
3	Balance Payable at the end of the year		
	- InfoBeans Technolgies Ltd.	7,910,148	6,720,274

20 Unhedged Foreign currency exposure:-

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Trade Receivables	17,859,652	15,579,304
Hedged Trade Receivables	-	-
Unhedged Trade Receivables	17,859,652	15,579,304

21 In accordance with the Accounting Standard (AS) 19 "Leases" issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s, 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 details of finance lease are as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Rentals recognised during the year	692,189	904,576
Lease Obligations payable	As at 31st March, 2021	As at 31st March, 2020
Within one year	-	-
Due in period between one year and five years	-	-
Due after five years	-	-



22 Quantitative details:

The Company is primarily engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 5 (viii)(c) of general instructions for preparation of the Statement of Profit and Loss as per Schedule III to the Companies Act, 2013.

- 23** In the opinion of Board, Current Assets, Loan and Advances have a value of realization in the ordinary course of business at least equal to the amount at which these are stated and that the provision for known liabilities are adequate and not in excess of the amount reasonable necessary.

24 Taxation -

As per the laws of the host country no income provision is applicable.

- 25** Opening Balances for the FY 2020-21 are verified from closing balances of Audited Financial Statements of the FY 2019-20.

**As per our report of even date attached
For Prakash S Jain & co.
Chartered Accountants**

FRN. 002423C

**For and on behalf of Board of Directors of Holding
Company of InfoBeans Technologies Europe GmbH**

CA. Gaurav Thepadia
(Partner)
M.No. 405326

Place : Indore
Date : Apr 26, 2021



Siddharth Sethi
Managing Director
(DIN : 01548305)

Avinash Sethi
(Director & CFO)
(DIN : 01548292)