

MAHESH J. AGASHIWALA, C.P.A, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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AUDIT REPORT
DATAMATICS ROBOTICS SOFTWARE INC.
APRIL 2020 - MARCH 2021

REPORT DATE: MAY 20, 2021

DATAMATICS ROBOTICS SOFTWARE INC.

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Report of Independent Auditors

To:

**The Board of Directors and Stockholders
Datamatics Robotics Software Inc.**

Report on the Financial Statements

We have audited the accompanying Balance Sheets of Datamatics Robotics Software Inc. as of March 31, 2021 and 2020 and the related statements of Income and Expenditure, Retained Earnings and Cash Flows for the years then ended.

Since our engagement is limited to expressing an audit opinion on Datamatics Robotics Software Inc.'s financial position on a stand-alone basis for the year ending March 31, 2021 and 2020, the effects of the results of operations, cash-flow and Balance Sheet of the non-consolidating subsidiary companies are not considered in this audit report

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Other Matter

Additional paid in capital amount for the previous period has been restated in this report.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Datamatics Robotics Software Inc. as of March 31, 2021 and 2020 and the results of its operations and its cash flows for the years then ended in conformity with Generally Accepted Accounting Principles in the United States of America.

Handwritten signature of Mahesh J. Agashiwala in cursive, followed by the letters "CPA" in a stylized font.

Mahesh J. Agashiwala C.P.A., P.C

**New York, NY
May 20, 2021**

**DATAMATICS ROBOTICS SOFTWARE INC.
BALANCE SHEET**

	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash & Bank Balance	\$ 286,083	\$ 230,654
Accounts Receivable, Net - Trade (Note 2 & 3)	38,539	90,383
Prepaid Taxes & Expenses	4	14,925
Loans & advances - Other	85,019	0
Total Current Assets	409,645	335,962
OTHER ASSETS		
Investment	141,844	141,844
Total Other Assets	141,844	141,844
TOTAL ASSETS	\$ 551,489	\$ 477,806
<u>LIABILITIES & STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts Payable - Trade (Note 4)	\$ 150,145	\$ 121,455
Accrued Expenses & Other Current Liabilities	157,599	178,956
Total Current Liabilities	307,744	300,412
EQUITY		
Equity Capital - Common (Note 5)	10,075	10,000
Additional Paid-in Capital	231,295	176,000
Retained Earnings	2,375	(8,606)
Total Stockholders' Equity	243,745	177,394
TOTAL LIABILITY & STOCKHOLDERS' EQUITY	\$ 551,489	\$ 477,806

See Independent Auditors' Report and the accompanying notes which are an integral part of these financial statements

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**DATAMATICS ROBOTICS SOFTWARE INC.
INCOME STATEMENT**

	March 31, <u>2021</u>	March 31, <u>2020</u>
NET SALES	\$ 242,551	\$ 267,348
COST OF SALES (Schedule A)	<u>143,837</u>	<u>224,096</u>
GROSS PROFIT	98,714	43,252
OPERATING EXPENSES		
Selling, General and Administrative Expenses (Schedule B)	<u>87,733</u>	<u>37,997</u>
INCOME / (LOSS) FROM OPERATIONS	10,981	5,255
OTHER INCOME AND (EXPENSES)		
Interest Income / (Expenses)	0	0
Other Income / (Expenses)	<u>0</u>	<u>0</u>
TOTAL OTHER INCOME AND (EXPENSES)	0	0
NET INCOME / (LOSS) BEFORE TAX	10,981	5,255
Corporate Taxes	0	0
NET INCOME / (LOSS)	<u><u>\$ 10,981</u></u>	<u><u>\$ 5,255</u></u>

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**DATAMATICS ROBOTICS SOFTWARE INC.
STATEMENT OF CASH FLOW**

	March 31, <u>2021</u>	March 31, <u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit / (Loss)	\$ 10,981	\$ 5,255
Adjustments to reconcile net profit to net cash provided (used in) by Operating activities:		
(Increase)/Decrease in Accounts Receivable	51,844	(49,683)
(Increase)/Decrease in Other Current Assets	(70,098)	(14,925)
Increase/(Decrease) in Current Liabilities	7,332	250,093
Net cash provided by operating activities	59	190,741
CASH FLOWS FROM FINANCING ACTIVITIES:		
Equity Capital	55,370	0
Net cash provided by financing activities	55,370	0
 Net Increase / (Decrease) in cash flow	 55,429	 190,741
 Cash at beginning of year	 230,654	 39,913
 Cash at end of year	 \$ 286,083	 \$ 230,654

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**DATAMATICS ROBOTICS SOFTWARE INC.
STATEMENT OF RETAINED EARNINGS**

<u>RETAINED EARNINGS</u>	March 31, <u>2021</u>	March 31, <u>2020</u>
Beginning Balance	\$ (8,606)	\$ (13,861)
Net Profit / (Loss) for the Period	10,981	5,255
Ending Balance	\$ <u>2,375</u>	\$ <u>(8,606)</u>

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**DATAMATICS ROBOTICS SOFTWARE INC.
SCHEDULE OF COST OF SALES**

Schedule A

	March 31, <u>2021</u>	March 31, <u>2020</u>
Contract Labor	\$ 122,529	\$ 53,835
Recruitment Expenses	15,840	0
Travel Expenses	0	2,252
Legal & Professional Fees	5,468	168,009
 COST OF SALES	 <u>\$ 143,837</u>	 <u>\$ 224,096</u>

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**DATAMATICS ROBOTICS SOFTWARE INC.
SCHEDULE OF SELLING, GENERAL AND ADMINISTRATIVE EXPENSES**

Schedule B

	March 31, <u>2021</u>	March 31, <u>2020</u>
Advertisement & Sales Promotion	\$ 74,504	37,245
Bank Charges and Interest	308	303
Legal Fees & Professional Fees	5,421	0
Meals & Entertainment	7,500	0
Repairs & Maintenance	0	449
TOTAL	\$ <u>87,733</u>	<u>37,997</u>

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**DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**

1. ORGANIZATION

Datamatics Robotics Software Inc. is incorporated in the State of Delaware on March 28, 2017 and is a wholly owned subsidiary of Datamatics Global Services Inc. which is also incorporated in Delaware. It commenced operations in Fiscal Year-ended March 31, 2019.

The Company sells Robotic Process Automation services to its customers. It modifies its proprietary Robotic Automation Software to provide custom designed routine tasks as per each customers requirement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Company maintains its books of accounts on accrual basis.

INVENTORY

The Company is engaged in sale of services and therefore there is no inventory of merchandise.

CONTRACT LABOR

Contract Labor includes the cost of outside resources utilized to write the code for the specific Robotic Software programming service requirements of each customer.

CASH

Cash includes cash on hand and in bank deposit. The Company maintains its cash in bank deposit accounts that, at times, may be in excess of amounts insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities approximate fair value due to the short maturity of those instruments.

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**DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROVISION FOR DOUBTFUL DEBTS

The Company will create a reserve for bad debts for its Receivables if it considers any as doubtful. Management believes all Receivables are collectible, therefore no provision has been booked at March 31, 2021.

USE OF ESTIMATES

The preparation of financial statements as per Generally Accepted Accounting Principles requires management to make estimates and assumptions which affects the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenue and expenses during the reported period. Actual results could differ from such estimates.

INTERNAL CONTROLS

Management believes that adequate internal controls are in place.

INCOME TAXES

The Company has reported Net Income for the current fiscal year. The Company will have minimal Net Income after utilizing accumulated Net Operating Losses from the prior year. Therefore, no provision for federal taxes has been recorded.

3. ACCOUNTS RECEIVABLE

Accounts Receivable includes \$8,000 which is past due less than 180 days, representing 21% of the total Accounts Receivable. Management represents it believes all other balances are collectible as well.

4. RELATED PARTY TRANSACTIONS

Accounts Payable and Accrued Expenses includes \$150,145 due to DRSL, Datamatics Robotics Software Limited, a related affiliate of the parent company, as of March 31, 2021.

Accounts Receivable includes \$2,000 due from DGSI, Datamatics Global Services Inc., the parent company, as of March 31, 2021.

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**DATAMATICS ROBOTICS SOFTWARE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**

5. EQUITY

Initially, the Company had Authorized Common Stock of 1,000 shares @ No Par Value. During the Company increased the Authorized Common Stock to 10,000 shares @ No Par Value. As of March 31, 2021, Common Stock Issued and Outstanding is 1,075.30 shares @ No Par value. Additional paid in capital amount for the previous period has been restated in this report.

The table below depicts the ownership schedule of shares issued and outstanding as of March 31, 2021.

	No. of shares	Equity Capital	Additional paid-in Capital
Datamatics Global Services Inc.	1,000.00	\$ 10,000	\$ 176,000
Vikramaditya Kanodia	<u>75.30</u>	<u>\$ 75</u>	<u>\$ 55,295</u>
Total	<u>1,075.30</u>	<u>\$ 10,075</u>	<u>\$ 231,295</u>

See Independent Auditors' Audit Report