

Registered number: 564067

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**NIIT (IRELAND) LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**NIIT (IRELAND) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Sapnesh Lalla Abhas Kumar <del>was</del> Dinesh Magadi Rahul Keshav Patwardhan (resigned 16 June 2017) Vijay Kumar Thadani (appointed 16 June 2017)
<b>Company secretary</b>	Wilton Secretarial Limited
<b>Registered number</b>	564067
<b>Registered office</b>	NIIT (Ireland) Limited 6th Floor 2 Grand Canal Square Dublin 2
<b>Independent auditors</b>	Donald Reid Limited Chartered Accountants & Statutory Auditors Prince Albert House 29 King Street Maidenhead Berkshire SL6 1DT

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**NIIT (IRELAND) LIMITED**

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**NET (IRELAND) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their annual report and the audited financial statements for the year ended 31 March 2018.

**Principal activities**

The principal activity is that of Knowledge Solutions through Information Technology.

**Directors**

The directors who served during the year were:

Sapnesh Lalla  
Abhas Kumar  
Dinesh Magadi  
Rahul Keshav Patwardhan (resigned 16 June 2017)  
Vijay Kumar Thadani (appointed 16 June 2017)

**Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year giving a true and fair view of the state of affairs of the Company. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss of the Company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, including Irish Generally Accepted Accounting Practice, and note the effect and the reasons for any material departure from those standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chair

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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NIIT (IRELAND) LIMITED

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DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018

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**Results and dividends**

The profit for the year, after taxation, amounted to €348,496 (2017 - €363,720).

**Principal risks and uncertainties**

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the business are considered to relate to competition from both national, offshore and multinational vendors as well as employee retention and the unstable position of the European economy.

*Financial risk management*

The group's operations expose it to financial risks that include price risk, credit risk, liquidity risk, foreign currency exchange rate risk, and interest rate cashflow risk. Given the size of the group, the directors have not delegated the responsibility of monitoring risk to a sub-committee of the board. The group's finance department implements policies set by the board of directors.

*Price risk*

Due to the nature of the business, the group is not exposed to any major price risks. Due consideration is given for annual salary increases in line with the growth in business in terms of both price and volumes.

*Credit risk*

The majority of the group's customer base is comprised of blue chip companies. The group has implemented policies that require appropriate credit checks on potential customers before sales are made.

*Liquidity risk*

Proactive receivables management results in a favourable working capital position where acquisition costs are excluded. The management continues its focus in this area.

*Foreign exchange risk*

The group is dealing in more stable currencies and has not implemented any specific policies to control this risk.

**Accounting records**

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at NIIT (Ireland) Limited, 6th Floor, 2 Grand Canal Square, Dublin.

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NIIT (IRELAND) LIMITED

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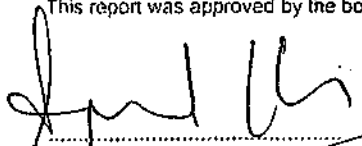
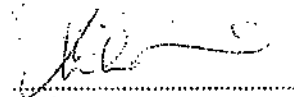
DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018

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Auditors

The auditors, Donald Reid Limited, continue in office and are authorised with section 383(2) of the Companies Act 2014.

This report was approved by the board on 14 May 2018 and signed on its behalf.

  
Sapresh Lalla  
Director  
Abhas Kumar  
Director

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## NIIT (IRELAND) LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIIT (IRELAND) LIMITED

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#### Report on the audit of the financial statements

##### Opinion

We have audited the financial statements of NIIT (Ireland) Limited (the 'Company') for the year ended 31 March 2018, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

##### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

##### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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**NIIT (IRELAND) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIIT (IRELAND) LIMITED  
(CONTINUED)**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Group were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

**Matters on which we are required to report by exception**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**Respective responsibilities**

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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**NIIT (IRELAND) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIIT (IRELAND) LIMITED  
(CONTINUED)**

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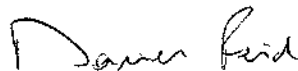
**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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 ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <https://www.iaasa.ie/Publications/ISA-700-Ireland>. This description forms part of our Auditors' Report.

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Group's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Group's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Daniel Reid FCA

for and on behalf of  
**Donald Reid Limited**

Chartered Accountants  
Statutory Auditors

Prince Albert House  
20 King Street  
Maidenhead  
Berkshire  
SL6 1DT

14 May 2018

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**NIIT (IRELAND) LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

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	Note	2018 €	As restated 2017 €
Turnover	3	5,572,809	3,443,263
Cost of sales		(4,102,964)	(2,501,774)
<b>Gross profit</b>		<b>1,469,845</b>	<b>941,489</b>
Administrative expenses		(1,329,432)	(827,175)
Other operating income	4	264,922	296,365
<b>Operating profit</b>	5	<b>405,335</b>	<b>410,679</b>
Tax on profit	7	(56,839)	(46,959)
<b>Profit for the financial year</b>		<b>348,496</b>	<b>363,720</b>

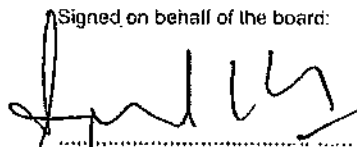
The notes on pages 13 to 27 form part of these financial statements.

NIIT (IRELAND) LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018

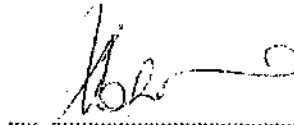
	Note	2018 €	As restated 2017 €
Profit for the financial year		348,496	363,720
Other comprehensive income			
Total comprehensive income for the financial year		348,496	363,720

Signed on behalf of the board:



Sagnesh Lalla

Director



Abbas Kumar

Director

Date: 14 May 2018

APPROVED  
FOR THE BOARD

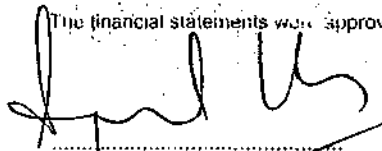
**NIT (IRELAND) LIMITED**

**BALANCE SHEET  
AS AT 31 MARCH 2018**

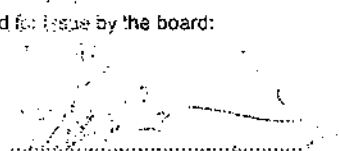
	Note	2018 €	As restated 2017 €
<b>Fixed assets</b>			
Tangible assets	8	56,796	62,139
Financial assets	9	73	73
		<u>56,869</u>	<u>62,212</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	4,546,413	3,636,322
Cash at bank and in hand	11	1,406,239	262,017
		<u>6,234,652</u>	<u>3,898,339</u>
Creditors: amounts falling due within one year	12	(5,515,443)	(3,551,253)
<b>Net current assets</b>		<u>720,204</u>	<u>347,086</u>
<b>Total assets less current liabilities</b>		<u>777,073</u>	<u>429,298</u>
<b>Provisions for liabilities</b>			
Deferred tax			(1,258)
			<u>(1,258)</u>
<b>Net assets</b>		<u>777,073</u>	<u>428,040</u>
<b>Capital and reserves</b>			
Called up share capital presented as equity	15	150,000	150,000
Profit and loss account	16	627,073	278,040
<b>Shareholders' funds</b>		<u>777,073</u>	<u>428,040</u>

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:



**Sapresh Lalla**  
Director



**Abhas Kumar**  
Director

Date: 14 May 2018

The notes on pages 13 to 27 form part of these financial statements.

**NIIT (IRELAND) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	€	€	€
At 1 April 2017 (as previously stated)	150,000	282,207	432,207
Prior year adjustment	-	(4,167)	(4,167)
At 1 April 2017 (as restated)	150,000	278,040	428,040
<b>Comprehensive expenditure for the period</b>			
Profit for the year	-	348,496	348,496
Impact on account of fair valuation of ESOP	-	537	537
<b>At 31 March 2018</b>	<b>150,000</b>	<b>627,073</b>	<b>777,073</b>

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**NIIT (IRELAND) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017**

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	Called up share capital	Profit and loss account	Total equity
	€	€	€
At 1 April 2016 (as previously stated)	150,000	(83,479)	66,521
Prior year adjustment	-	(2,201)	(2,201)
At 1 April 2016 (as restated)	150,000	(85,680)	64,320
<b>Comprehensive income for the year</b>			
Profit for the year	-	363,720	363,720
<b>At 31 March 2017</b>	<b>150,000</b>	<b>278,040</b>	<b>428,040</b>

The notes on pages 13 to 27 form part of these financial statements.

**NIIT (IRELAND) LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

	2018 €	2017 €
<b>Cash flows from operating activities</b>		
Profit for the financial year	348,496	363,720
<b>Adjustments for:</b>		
Depreciation of tangible assets	37,991	43,195
Taxation charge	56,840	46,948
(Increase) in debtors	(309,802)	(2,231,311)
(Increase) in amounts owed by groups	(869,782)	(1,048,679)
Increase in creditors	168,106	1,738,624
Increase in amounts owed to groups	1,839,261	1,376,905
Net fair value losses recognised in P&L	3,630	1,966
Corporation tax (paid)	(117,870)	(16,486)
Foreign exchange	(11,282)	7,265
<b>Net cash generated from operating activities</b>	<b>1,145,588</b>	<b>282,147</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(12,648)	(23,336)
<b>Net cash from investing activities</b>	<b>(12,648)</b>	<b>(23,336)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,132,940</b>	<b>258,811</b>
Cash and cash equivalents at beginning of year	262,017	10,471
Foreign exchange gains and losses	11,282	(7,265)
<b>Cash and cash equivalents at the end of year</b>	<b>1,406,239</b>	<b>262,017</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	1,406,239	262,017
	<b>1,406,239</b>	<b>262,017</b>

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**NIIT (IRELAND) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**2. General information**

The entity is a private limited company limited by shares. The company is registered in the Republic of Ireland. The registration number is 564067 and the registered office address is NIIT (Ireland) Limited, 6th Floor, 2 Grand Canal Square, Dublin 2.

**2.1 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably;
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.2 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.



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NIIT (IRELAND) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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1. Accounting policies (continued)

2.2 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3-10 years
Fixtures and fittings	- 7-10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

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**NIIT (IRELAND) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. Accounting policies (continued)**

**2.7 Financial instruments (continued)**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.8 Creditors**

Short term creditors are measured at the transaction price.

**2.9 Foreign currency translation**

The company's functional and presentational currency is Euros.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the fixed exchange rates for the month in which the transactions occur.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

**2.10 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

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NIIT (IRELAND) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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1. Accounting policies (continued)

2.11 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NIIT (IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**3. Turnover**

An analysis of turnover by class of business is as follows:

	2018 €	2017 €
Sales	5,572,809	3,443,263
	<u>5,572,809</u>	<u>3,443,263</u>

Analysis of turnover by country of destination:

	2018 €	2017 €
Republic of Ireland	1,942,372	1,247,238
Rest of Europe	3,267,745	1,321,578
America	362,692	874,447
	<u>5,572,809</u>	<u>3,443,263</u>

**4. Other operating income**

	2018 €	2017 €
Sundry income	264,922	296,365
	<u>264,922</u>	<u>296,365</u>

**5. Profit on ordinary activities before taxation**

The operating profit is stated after charging:

	2018 €	2017 €
Hotels, travel and subsistence	373,940	108,310
Management charges	171,470	57,689
Depreciation of tangible fixed assets	37,991	43,195
Exchange differences	150,541	11,094
Defined contribution pension cost	22,439	19,205

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**6. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Cost of sales	18	11
Administration	2	2
	<u>20</u>	<u>13</u>

**7. Taxation**

	2018 €	2017 €
<b>Corporation tax</b>		
Current tax on profits for the year	63,613	45,701
	<u>63,613</u>	<u>45,701</u>
<b>Total current tax</b>	<u>63,613</u>	<u>45,701</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(6,774)	1,258
<b>Total deferred tax</b>	<u>(6,774)</u>	<u>1,258</u>
<b>Taxation on profit on ordinary activities</b>	<u>56,839</u>	<u>46,959</u>

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**7. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017 - lower than) the standard rate of corporation tax in Ireland of 12.5% (2017 - 12.5%). The differences are explained below:

	2018 €	2017 €
Profit on ordinary activities before tax	405,335	410,679
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2017 - 12.5%)	50,667	51,335
Effects of:		
Adjustments to tax charge in respect of prior periods	(20,722)	-
Tax on foreign branches	43,250	-
Other differences leading to an increase (decrease) in the tax charge	(16,356)	(4,376)
<b>Total tax charge for the year</b>	<b>56,839</b>	<b>46,959</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Tangible fixed assets**

	Plant and machinery €	Fixtures and fittings €	Total €
<b>Cost or valuation</b>			
At 1 April 2017	56,177	77,405	133,582
Additions	12,648	-	12,648
At 31 March 2018	<u>68,825</u>	<u>77,405</u>	<u>146,230</u>
<b>Depreciation</b>			
At 1 April 2017	17,571	33,872	51,443
Charge for the year on owned assets	17,080	20,911	37,991
At 31 March 2018	<u>34,651</u>	<u>54,783</u>	<u>89,434</u>
<b>Net book value</b>			
At 31 March 2018	<u>34,174</u>	<u>22,622</u>	<u>56,796</u>
At 31 March 2017	<u>38,606</u>	<u>43,533</u>	<u>82,139</u>

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**NIIT (IRELAND) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**9. Financial assets**

	<b>Investments in subsidiary companies €</b>
<b>Cost or valuation</b>	
At 1 April 2017	73
At 31 March 2018	<u>73</u>
<b>Net book value</b>	
At 31 March 2018	<u>73</u>
At 31 March 2017	<u>73</u>
In respect of prior year:	

	<b>Investments in subsidiary companies €</b>
<b>Cost or valuation</b>	
At 1 April 2016	68
Foreign exchange movement	5
At 31 March 2017	<u>73</u>
<b>Net book value</b>	
At 31 March 2017	<u>73</u>
At 31 March 2016	<u>68</u>



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**NIIT (IRELAND) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**10. Debtors**

	2018 €	2017 €
Trade debtors	1,403,256	972,512
Amounts owed by group undertakings	2,198,105	1,328,323
Other debtors	1,066,427	1,100,442
Prepayments and accrued income	155,110	235,045
Deferred taxation	5,515	-
	<u>4,828,413</u>	<u>3,636,322</u>

**11. Cash and cash equivalents**

	2018 €	2017 €
Cash at bank and in hand	1,406,239	262,017
	<u>1,406,239</u>	<u>262,017</u>

**NIIT (IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Creditors: Amounts falling due within one year**

	2018	As restated 2017
	€	€
Trade creditors	30,810	(830,169)
Amounts owed to group undertakings	3,512,037	1,669,146
Corporation tax	-	45,600
Taxation and social insurance	62,720	238,016
Other creditors	1,685,626	1,444,659
Accruals	193,505	984,001
Deferred income	29,750	-
	<u>5,514,448</u>	<u>3,551,253</u>
	2018	2017
	€	€
<b>Other taxation and social insurance</b>		
PAYE/PRSI control	1,936	7,879
VAT control	60,784	230,137
	<u>62,720</u>	<u>238,016</u>

**NIIT (IRELAND) LIMITED**

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**13. Financial instruments**

	2018 €	2017 €
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	6,050,474	3,646,735
	<u>6,050,474</u>	<u>3,646,735</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost:	(5,421,976)	(3,265,434)
	<u>(5,421,976)</u>	<u>(3,265,434)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed from group companies, other debtors and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group companies, accruals and other creditors.

**14. Deferred taxation**

	2018 €
At beginning of year	(1,258)
Charged to profit or loss	6,773
<b>At end of year</b>	<u><u>5,515</u></u>

The deferred taxation balance is made up as follows:

	2018 €	2017 €
Decelerated capital allowances	5,515	(1,258)
	<u>5,515</u>	<u>(1,258)</u>

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**NIIT (IRELAND) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**15. Share capital**

	2018 €	2017 €
<b>Authorised</b>		
1,000,000 Ordinary shares of €1 each	<u>1,000,000</u>	<u>1,000,000</u>
<b>Allotted, called up and fully paid</b>		
150,000 Ordinary shares of €1 each	<u>150,000</u>	<u>150,000</u>

**16. Reserves**

**Profit and loss account**

The profit and loss account includes all retained profit and losses.

**NIIT (IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Share based payments**

The Company has a share option scheme for certain employees of the Company. Options are exercisable at a price equal to the market price of the shares in NIIT Limited (India), the parent company, on the date of the grant. The vesting conditions are detailed below. If the options remain unexercised after a period of five years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest. The fair value determined at the grant date of the share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. Fair value is measured by use of the Black Scholes model and the inputs outlined below.

	Weighted average exercise price (cent) 2018	Number 2018	Weighted average exercise price (cent) 2017	Number 2017
Outstanding at the beginning of the year	65.06	20,000	65.06	20,000
Outstanding at the end of the year	65.06	20,000	65.06	20,000
			2018	2017
Weighted average fair value price (cent)			22.58	25.97
Exercise price (cent)			65.06	65.06
Weighted average contractual life (years)			5.5	4.5
Expected volatility			40.55%	41.89%
Expected dividend growth rate			3.5%	3.5%
Risk-free interest rate			7.9%	7.86%

The cost of the options is amortized over the period of grant for which expenses are debited by the parent company. Included in the profit and loss is an amount of €757 (2017: €1,966) in relation the scheme.

**18. Comparatives**

The comparatives have been restated to recognise revenue from certain contracts on a net basis rather than gross. The directors believe this better reflects the substance of the transactions as the company is acting as agent rather than principal. This has reduced both turnover and cost of sales by €2,030,875 in the prior period.

The comparatives have also been restated to reflect the fair value movement of share based payments. A charge of €1,966 has been recognised in 2017 and €2,201 in 2016 and with a corresponding credit to amounts owed to the group. The restatement has led to a reduction in retained earnings brought forward of €4,167.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to €22,439 (2017: €19,205). There were no contributions payable to the fund at the balance sheet date.

**20. Commitments under operating leases**

At 31 March 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 €	2017 €
Not later than 1 year	56,000	56,000
Later than 1 year and not later than 5 years	98,000	154,000
<b>Total</b>	<b>154,000</b>	<b>210,000</b>

**21. Related party transactions**

The group has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that all subsidiary undertakings that have been party to the transactions are wholly owned members of the group.

**22. Controlling party**

The immediate and ultimate parent undertaking is NIIT Limited (India), a company registered in India. NIIT Limited (India) has no ultimate controlling party. NIIT Limited (India) prepare group financial statements, which can be obtained from 8 Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Dehli - 110-019, India.

**23. Approval of financial statements**

The board of directors approved these financial statements for issue on 14 May 2018