

NIIT (MALAYSIA) SDN. BHD.

Company No. : 418148-D

(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST MARCH 2018

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST MARCH 2018

CONTENTS	PAGE NO.
CORPORATE INFORMATION	1
REPORT OF THE DIRECTORS	2 - 4
STATEMENT BY DIRECTORS	5
STATUTORY DECLARATION	5
INDEPENDENT AUDITORS' REPORT	6 - 8
STATEMENT OF INCOME AND RETAINED EARNINGS	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CASH FLOW	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 19

NIIT (MALAYSIA) SDN. BHD. (418148-D)
(Incorporated in Malaysia)

CORPORATE INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	: MALAYSIA
LEGAL FORM	: COMPANY LIMITED BY SHARES INCORPORATED UNDER THE COMPANIES ACT, 2016
HOLDING COMPANY	: NIIT LIMITED
BOARD OF DIRECTORS	: CHANG HONG YUN : DR. CHONG TIN CHUAI : AMIT ROY : KAMAL NAIN DHUPER
SECRETARIES	: TAY BENG CHAI (BC NO. T296) : TAN EE LING (MAICSA 7027691)
REGISTERED OFFICE	: 6th Floor, Plaza See Hoy Chan, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan.
NO. OF EMPLOYEES AS AT 31.3.2018	: 3
AUDITORS	: TAN PENG SAM & CO. (AF0600) Chartered Accountants No. 19A, Jalan Thamby Abdullah Satu, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan.

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

REPORT OF THE DIRECTORS

The Directors take pleasure in submitting their Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2018.

1. PRINCIPAL ACTIVITIES

Throughout the financial year end 31st March 2018, the company is principally engaged in the provision of management services in education and training. There have been no significant changes in the nature of its activities during the financial year.

2. HOLDING COMPANIES

NIIT Antilles NV, a wholly owned subsidiary of NIIT Limited, registered in India was dissolved and liquidated, vide Declaration dated November 23, 2017, issued by the Curacao Chamber of Commerce and Industry, in accordance with the applicable laws of Curacao. Consequent to the said liquidation, all assets and liabilities of Antilles NV, including investments in its wholly owned subsidiaries, NIIT Malaysia Sdn. Bhd. (Malaysia) were vested / transferred in the NIIT Limited, subject to applicable regulatory compliances.

In consequence of restructuring exercise, the Company has become a wholly owned subsidiary company of NIIT LIMITED.

3. FINANCIAL RESULTS

- (a) Profits for the financial year amounted to RM1,126,702.
- (b) During the financial year, the Company has recognised a gain on recovery of non-trade debts amounted to RM1,102,331, except for the foregoing, in the opinion of the Directors, the results of the Company's operations during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

4. DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year.

5. RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

6. ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

7. SHARE OPTIONS

During the financial year, no options were granted to any person to take up unissued shares in the Company. As at 31st March 2018, there were no outstanding options on the unissued shares in the Company.

8. DIRECTORS

(a) The Directors in office since the date of the last Report are :-

SAPNESH KUMAR LALLA	(Resigned on 23.06.2017)
ROHIT KUMAR GUPTA	(Resigned on 24.04.2017)
AMIT ROY	(Appointed on 24.04.2017)
PRAKASH MENON	(Passed away on 5.5.2018)
CHANG HONG YUN	
DR. CHONG TIN CHUAI	
KAMAL NAIN DHUPER	(Appointed on 14.07.2017)

(b) Throughout the year ended 31st March 2018, all the directors did not hold any shares in the Company and the Holding Company.

(c) Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangements, to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

(d) Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with a Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

(e) Directors' remuneration and other benefits amounted to RM19,000 was paid during the financial year.

9. OTHER STATUTORY INFORMATION

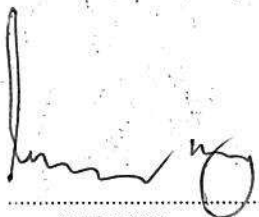
(a) Before the Financial Statements were made out, the Directors had taken reasonable steps :-

- (i) to ascertain that proper actions had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and to satisfy themselves that there were no known bad debts and that adequate allowance for doubtful debts has been made; and
- (ii) to ensure that any current assets which were unlikely to realise their book value in the ordinary course of business were written down to an amount which they might be expected so to realise.

9. OTHER STATUTORY INFORMATION (CONT'D)

- (b) At the date of this Report, the Directors are not aware of any circumstances which would render :-
- (i) it necessary to write off bad debts or the allowance for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the Financial Statements misleading.
- (c) At the date of this Report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (d) As at the date of this Report, there are no charges on the assets of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (e) (i) As at the date of this Report, there are no contingent liabilities which have arisen since the end of the financial year.
- (ii) No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company to meet its obligations as and when they fall due.
- (f) At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in the Report or the Financial Statements which would render any amount stated in the Financial Statements misleading.
- (g) In the opinion of the Directors, the results of the financial year in which this Report is made are not likely to be substantially affected by any item, transaction or event which has arisen in the interval between the end of the financial year and the date of this Report.
- (h) Auditors' remuneration for the financial year ended 31st March 2018 amounted to RM13,000.

Signed in accordance with a resolution of the Directors,



AMIT ROY
(Director)

14 MAY 2018



KAMAL NAIN DHUPER
(Director)

Dated :
Kuala Lumpur.

COMPANY NO. : 418148-D

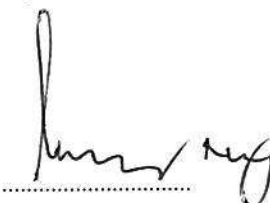
NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

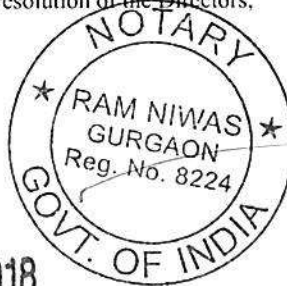
STATEMENT BY DIRECTORS


Pursuant to Section 251(2) of the Companies Act, 2016

We, AMIT ROY and KAMAL NAIN DHUPER, being two of the Directors of NIIT (MALAYSIA) SDN. BHD., do hereby state that in the opinion of the Directors, the accompanying financial statements set out in Pages 9 to 19 are drawn up in accordance with Malaysian Financial Reporting Standards (MFRS) and the Companies Act, 2016 so as to give a true and fair view of the financial position of the Company as at 31st March 2018 and of the results and cash flow for the year then ended.

Signed in accordance with a resolution of the Directors.


AMIT ROY




KAMAL NAIN DHUPER

Dated : 14 MAY 2018
Kuala Lumpur.

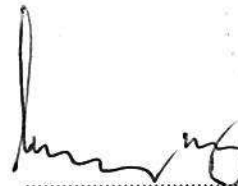
STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act, 2016


I, AMIT ROY, the Director primarily responsible for the accounting records and financial management of NIIT (MALAYSIA) SDN. BHD., do solemnly and sincerely declare that the Financial Statements set out in Pages 9 to 19 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed AMIT ROY
(PASSPORT NO: Z3016760)

in
on


AMIT ROY

Before me,

ATTESTED

RAM NIWAS MALIK ADVOCATE
NOTARY, GURGAON (HR.) INDIA
Page 5



14 MAY 2018

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD. (418148-D)**
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NIIT (MALAYSIA) SDN. BHD., which comprise the statement of financial position as at 31st March 2018, and the statement of income and retained earnings and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out in pages 9 to 19.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2018, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standard and the requirements of the Companies Act, 2016.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the company and our auditors' report thereon.

Our opinion on the financial statements of the company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

COMPANY NO. : 418148-D

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements which shall give a true and fair view in accordance with Malaysian Financial Reporting Standard and the requirements of the Companies Act, 2016. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the company, 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the company 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the financial statements of the company, 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 the internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the financial statements of the company 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 auditors' report. However, future events or conditions may cause the company to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMPANY NO. : 418148-D

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors 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.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 and for no other purpose. We do not assume responsibility to any other person for the content of this report.



TAN PENG SAM & CO.
CHARTERED ACCOUNTANTS
AF 0600

Dated : 14th May 2018
Kuala Lumpur



TAN PENG SAM
PARTNER
00888/05/2018 J

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**

	Notes	2018		2017 [Restated]
		RM	RM	RM
REVENUE		1,569,317		921,525
COST OF SALES		(1,154,652)		(517,001)
GROSS PROFITS		414,665		404,524
OTHER INCOME		1,252,421		1,177,547
ADMINISTRATION EXPENSES		(517,446)		(186,003)
PROFITS FOR THE YEAR BEFORE TAXATION		1,149,640		1,396,068
PROFITS FOR THE YEAR IS ARRIVED AT AFTER CHARGING :-				
Auditors' remuneration		13,000		13,000
Depreciation		9,319		9,319
Unrealised loss on foreign exchange		519,543		37,887
Provision for compensated absences		1,260		-
Provision for doubtful debts		11,260		-
Director's fee		19,000		19,000
		=====		=====
AND CREDITING :-				
Interest charged to a related company		150,090		112,333
Realised gain on foreign exchange		-		53,369
Unrealised gain in foreign exchange		159,918		498,086
Gain on revaluation of non-trade receivable		-		551,646
Gain on recovery of non-trade receivable	10	1,102,331		-
		=====		=====
WITHHOLDING TAX EXPENSE OFF		(22,938)		(48,677)
PROFIT FOR THE YEAR AFTER TAXATION		1,126,702		1,347,391
ACCUMULATED LOSSES AT THE BEGINNING OF YEAR		(1,062,291)		(2,409,682)
ACCUMULATED PROFIT/(LOSS) AT THE END OF YEAR		64,411		(1,062,291)
		=====		=====

The notes on pages 12 to 19 form an integral part of the financial statements.

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2018

	NOTES	2018	2017 [Restated]
		RM	RM
NON-CURRENT ASSETS			
Property, plant and equipment	3	7,596	16,915
CURRENT ASSETS			
Trade receivables	4	1,434,641	1,475,879
Non-trade receivables		10,750	1,875
Amount owing by related companies	5	3,663,646	4,779,682
Cash and bank balances		2,482,696	182,808
		7,591,733	6,440,244
TOTAL ASSETS		7,599,329	6,457,159
EQUITY			
Share capital	6	5,541,000	5,541,000
Accumulated profit/(loss)		64,411	(1,062,291)
		5,605,411	4,478,709
CURRENT LIABILITIES			
Trade payables		459,396	370,633
Non-trade payables and accruals		229,050	209,046
Amount owing to related companies	7	1,305,472	1,398,771
TOTAL LIABILITIES		1,993,918	1,978,450
TOTAL EQUITY AND LIABILITIES		7,599,329	6,457,159

The notes on pages 12 to 19 form an integral part of the financial statements.

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

	2018		2017 [Restated]
	RM	RM	RM
CASH FLOW FROM OPERATING ACTIVITIES			
Profits for the year before taxation	1,149,640		1,396,068
Adjustment for :			
Depreciation of property, plant and equipment	9,319		9,319
Interest income	(150,090)		(112,333)
Unrealised gain/(loss) on foreign exchange	359,625		(460,199)
Provision for doubtful debts	11,260		-
Provision for compensated absences	1,260		-
Gain on revaluation of non-trade receivable	-		(551,646)
Gain on recovery of non-trade receivable	(1,102,331)		-
Operating profits before working capital changes	278,683		281,209
Decrease/(increase) in receivables	21,103		(518,046)
Increase/(decrease) in payables	107,507		(410,617)
Decrease/(increase) in amount owing by related companies	972,573		(903,781)
(Decrease)/increase in amount owing to related companies	(93,299)		164,104
Cash generated from/(used in) operating activities	1,286,567		(1,387,131)
Withholding tax paid	(22,938)		(48,677)
Net cash generated from/(used in) operating activities		1,263,629	(1,435,808)
CASH FLOW FROM INVESTING ACTIVITIES			
Interest income from related company	150,090		112,333
Loan to related company	(216,162)		(830,448)
Net cash used in investing activities		(66,072)	(718,115)
CASH FLOW FROM FINANCING ACTIVITIES			
Gain on revaluation of non-trade receivable		-	551,646
Gain on recovery of non-trade receivable		1,102,331	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,299,888	(1,602,277)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		182,808	1,785,085
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		2,482,696	182,808
		=====	=====

The notes on pages 12 to 19 form an integral part of the financial statements.

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

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

1. GENERAL INFORMATION

The Company is a private company incorporated under the Companies Act, 2016 and domiciled in Malaysia.

The Company is principally engaged in the provision of management services in education and training. There have been no significant changes in the nature of its activities during the financial year.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors on 14th May 2018.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements are prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") issued by the Malaysian Accounting Standards Board ("MASB") and the requirements of the Companies Act, 2016.

In the previous year, the financial statements of the company were prepared in accordance with Malaysian Private Entities Reporting Standards (MPERS). The financial impact on transition to MFRS disclosed in Note 12.

The financial statements are prepared on a historical cost basis in accordance with the Malaysian Financial Reporting Standards (MFRS) and the Companies Act, 2016.

The following are new and amended standards and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") which became effective during the year:-

- MFRS 112, Recognition of Deferred Tax Assets for Unrealised Losses
- MFRS 107, Disclosure Initiatives
- MFRS 15, Revenue from contracts with customers
- Clarification to MFRS 15
- MFRS 9 Financial Instruments (IFRS as issued by IASB in July 2014)
- Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions

Adoption of the above standards and interpretations did not have any effect on the financial performance of the Company for the financial year ended 31st March 2018.

2. BASIS OF PREPARATION (CONT'D)

(b) New and amended standards issued but not yet effective

New and amended standards issued but not yet effective up to the date of issuance of these financial statements are as follows :-

Description	Effective for annual periods beginning on or after
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

In the opinion of the Directors, the above standards and interpretations will not have material impact on the financial statements in future periods

(c) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. The policy for recognition and measurement of impairment losses is set out in Note 2 (d).

Depreciation is provided on the straight-line method at rates calculated to write off the cost of the assets over their estimated useful lives. Depreciation of an asset commences when the asset is ready for its intended use. The principal annual rates for computers are 33%.

(d) Impairment of Assets

The carrying values of assets are reviewed for impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(e) Receivables

Receivables are carried at anticipated realizable values. Known bad debts are written off and specific allowance is made against accounts which are doubtful of collection.

2. BASIS OF PREPARATION (CONT'D)

(f) Payables

Payables are stated at cost which is fair value of the consideration for goods and services received.

(g) Income tax

Income tax for the year comprises current year income tax and deferred taxation. Current year income tax is the expected amount of income tax payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

(h) Deferred taxation

Deferred taxation is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unabsorbed tax losses and unutilised capital allowances can be utilised.

Deferred taxation is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

(i) Revenue recognition

(i) Sales of service

Revenue from sales of services is recognised based on percentage of completion method. The stage of completion of a service contract is measured by reference to the proportion that contract costs incurred for work performed to date to the estimated total cost for the contract.

The revenue from time and material contracts is recognised on a Man-Month basis.

Irrespective of whether the outcome of a service contract can be estimated reliably when it is probable that total contract cost will exceed total contract revenue the expected loss is recognised as an expense immediately.

The aggregate of the cost incurred and the attributable profit/loss recognised on each contract is compared against the progress billings up to the end of the financial year. Where cost incurred and recognised profit (less recognised losses) exceed progress billings, the balance is shown as 'amounts due from customers on contracts' under trade and other receivables. Conversely, where progress billings exceed costs incurred and attributable profit, the balance is shown as 'Amount due to customers on contracts' under trade and other payables.

Commission earned from principal-agent transactions is recognised as revenue. In prior year, revenue from principal-agent transactions was recognised at gross basis which included the cost charged by third party contractors. Upon the change of accounting policy, the comparative revenue for the prior year has been reduced by RM4,332,425 and the cost of sales is correspondingly reduced by RM4,332,425.

This change in accounting policy has not affected the results of the operations of the Company for the year ended 31st March 2018.

2. BASIS OF PREPARATION (CONT'D)

(i) Revenue recognition (Cont'd)

(ii) Interest income

Interest income is recognised on the accrual basis unless collection is in doubt.

(j) Employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company.

The Company's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

Liability in respect of compensated absences is provided for any unused leave balance encashable at the rate of salary on the last working day.

(k) Foreign Currency Translation

Foreign currency transactions are translated into Ringgit Malaysia at rates ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at rates ruling at the balance sheet date. All the exchange differences are dealt with in the income statement.

Gain or losses from conversation of short term assets and liabilities, whether realised or unrealised, are included in operating profits as they arise.

The principal closing rates used in translating foreign currency amount are as follows:-

Foreign currency	Closing rates	
	2018	2017
	RM	RM
US Dollar	3.8644	4.4265
Sterling Pound	5.4146	5.5267
Singapore Dollar	2.9475	3.1668
	=====	=====

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances with bank and short term highly liquid investment which are readily convertible to known amount of cash with an insignificant risk of changes in value, net of outstanding bank overdraft.

COMPANY NO. : 418148-D

3. PROPERTY, PLANT & EQUIPMENT

	Computers
	RM
Carrying amount as at 1st April 2017	16,915
Depreciation	(9,319)
	<u>7,596</u>
	=====
<u>As at 31st March 2018</u>	
Cost	27,956
Accumulated depreciation	(20,360)
	<u>7,596</u>
	=====
<u>As at 31st March 2017</u>	
Cost	27,956
Accumulated depreciation	(11,041)
	<u>16,915</u>
	=====

4. TRADE RECEIVABLES

	2018	2017 [Restated]
	RM	RM
Trade receivables	3,579,722	3,609,700
Less		
Allowance for doubtful debts	2,145,081	2,133,821
	<u>1,434,641</u>	<u>1,475,879</u>
	=====	=====

COMPANY NO. : 418148-D

5. AMOUNT OWING BY RELATED COMPANIES

The amount owing by related companies is made up as follows :-

	2018	2017 [Restated]
	RM	RM
Interest bearing	3,477,960	3,793,877
Non-interest bearing	185,686	985,805
	<u>3,663,646</u>	<u>4,779,682</u>
	=====	=====

The amount owing by related companies is unsecured. Interest charged on the interest bearing loan is 3% and 7% per annum.

6. SHARE CAPITAL

	2018	2017 [Restated]
	RM	RM
Authorised :		
10,000,000 (2017 : 10,000,000) ordinary shares of RM1 each	10,000,000	10,000,000
	=====	=====
Issued and Fully Paid :		
5,541,000 (2017 : 5,541,000) ordinary shares of RM1 each	5,541,000	5,541,000
	=====	=====

7. AMOUNT OWING TO RELATED COMPANIES

The amount owing to related companies is unsecured, trade in nature and interest free.

8. TAXATION

	2018	2017 [Restated]
	RM	RM
Provision of income tax for current year	-	-
	=====	=====

COMPANY NO. : 418148-D

8. TAXATION (CONT'D)

The reconciliation of the tax expense and the product of accounting profits multiplied by the applicable income tax rate is as follows :-

	2018	2017 [Restated]
	RM	RM
Profits before tax	1,149,640	1,396,068
Tax at applicable standard rate of 24% (2017 : 25%)	(275,913)	(349,017)
Tax effects of :		
Tax effect on expenses not deductible for tax purposes	(130,047)	(13,072)
Income not taxable	338,961	303,859
Tax saving on utilisation of unabsorbed capital allowances	66,999	58,230
Tax expenses	-	-

As at 31st March 2018, the Company has unabsorbed tax losses and capital allowances amounting to RM8,478,436 (2017: RM8,757,597) respectively which are available for set off against future chargeable income.

9. DEFERRED TAXATION

The Company has potential deferred tax benefits not taken up in the Financial Statements in respect of the followings:-

	2018	2017 [Restated]
	RM	RM
Unabsorbed business losses (Pioneer)	4,518,880	4,518,880
Unabsorbed capital allowances	2,273,819	2,552,980
Unabsorbed business losses (Normal)	1,685,737	1,685,737
	8,478,436	8,757,597
Potential tax benefit at 24% (2017 : 25%)	2,034,825	2,189,399

10. GAIN ON RECOVERY OF NON-TRADE DEBTS

During the previous year, a debt was assigned to the Company by a related Company for a nominal sum of USD1.00 (RM4). Subsequently, the Company during the year, had received RM1,102,335 from the debtor which resulted in a gain of RM1,102,331.

COMPANY NO. : 418148-D

11. RELATED PARTY TRANSACTIONS

During the financial year, the Company had the following related party transactions: -

	2018	2017
		[Restated]
	RM	RM
Interest charged to related company	150,089	112,333
Purchases of services from related companies	410,173	313,888
Management fee charged by related companies	46,480	57,501
Loan given to a related companies	216,162	830,448
Assignment of non-trade debts from immediate holding company	-	353,112
	=====	=====

12. TRANSITION TO MFRS

As stated in Note 2, these are the first financial statements of the company prepared in accordance with MFRS.

The accounting policies set out in Note 2 have been applied in preparing the financial statement of the company for the financial year ended 31st March 2018 and the comparative information presented in this financial statement for the financial year ended 31st March 2017.

The transition to MFRS does not have financial impact on the separate financial statements of the company.

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2018**

	2018		2017 [Restated]
	RM	RM	RM
REVENUE		1,569,317	921,525
Less			
COST OF SALES			
Sub-contract charges	559,323		327,442
Training management services	410,173		57,501
Salaries and wages	185,156		132,058
		1,154,652	517,001
GROSS PROFITS		414,665	404,524
Add			
OTHER INCOME			
Interest charged to related company	150,090		112,333
Realised gain on foreign exchange	-		53,369
Unrealised gain on foreign exchange	-		460,199
Gain on revaluation of non-trade receivable	-		551,646
Gain on recovery of non-trade receivable	1,102,331		-
		1,252,421	1,177,547
		1,667,086	1,582,071
Less			
ADMINISTRATION EXPENSES			
Auditors' remuneration	13,000		13,000
Depreciation	9,319		9,319
Director's fee	19,000		19,000
Professional charges	82,940		134,315
Provision for doubtful debts	11,260		-
Sundry expenses	22,302		10,369
Unrealised loss in foreign exchange	359,625		-
		517,446	186,003
PROFITS FOR THE YEAR		1,149,640	1,396,068