NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED

Statutory Audit for the year ended March 31, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit including other comprehensive income, changes in equity and its cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act 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 audit opinion on the Ind AS financial statements.

Information other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report of the Board of Directors including annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS 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, 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management 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 for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, 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.

SCV & Co. LLP
New Delhi
NCR
Chartered Accountants

NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED

Statutory Audit for the year ended March 31, 2019

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit including other comprehensive income, changes in equity and its cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act 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 audit opinion on the Ind AS financial statements.

Information other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report of the Board of Directors including annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS 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, 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management 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 for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, 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.

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- 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other matter

The Ind AS financial statements of the Company for the year ended March 31, 2018, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those Ind AS financial statements on 11th May, 2018.

Report on other legal and regulatory requirements

1. 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 Act, we give in the "Annexure A", a statement on the matters specified in Paragraphs 3 and 4 of the Order.

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), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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(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 B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Company to its managers in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

SCV & Co. LLP New Delhi NCR Chartered Accountants

(SUNNY SINGH)
PARTNER
MEMBERSHIP No. 516834

PLACE: GURUGRAM
DATED: 30th April, 2019

Annexure "A" to the Independent Auditors' Report

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Report of even date.

i. (a) The Company has maintained proper records showing full, including quantitative details and situation of fixed assets.

(b) Fixed assets verification has been conducted by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company did not own any immovable property during the year

ii. The Company is in the business of providing training services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. According the information and explanations given to us, the Company has granted unsecured loans to a party, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans during the year. The Company has not made investment, provided guarantees or security during the year which are covered under provisions of section 185 and 186 of the Companies Act, 2013.

v. According to the information and explanations provided by the management, we are of the opinion that the Company has not accepted any deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Accordingly, the paragraph 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, Goods and Service Tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues were outstanding, as on 31st March, 2019 for a period of more than six months from the date they became payable.

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(b) According to the information and explanations given to us, and on the basis of our examination of the books of account, there are no dues of income tax, Goods and Service Tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Accordingly, the paragraph 3(viii) of the Order is not applicable to the Company.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the paragraph 3(ix) of the Order is not applicable to the Company.

x. According to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

SCV & Co. LLP New Delhi NCR Chartered Accountants

PLACE: GURUGRAM
DATED: 30th April, 2019

(SUNNY SINGH)
PARTNER
MEMBERSHIP No. 516834

Annexure "B" To the Independent Auditor's Report

Annexure referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date.

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 **NIIT INSTITUTE OF PROCESS EXCELLENCE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS 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. 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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.

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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 Ind AS 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 Ind AS 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 Ind AS 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 March 31, 2019, 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.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

SCV & Co. LLP
New Delhi NCR
Chartered Accountants

(SUNNY SINGH)
PARTNER
MEMBERSHIP No. 516834

PLACE: GURUGRAM
DATED: 30th April, 2019

NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Balance Sheet as at March 31, 2019

(All amounts are in Rs. thousands, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	161	289
Intangible Assets #	4	0	0
Financial Assets			
Other Financial Assets	5 (i)	-	159
Deferred Tax Assets	6	11,550	13,014
Income Tax Assets (net)	6 (i)	17,274	20,122
Total Non-current assets		**28,985**	**33,584**
Current Assets			
Financial Assets			
Trade Receivables	5 (ii)	18,168	27,155
Cash and cash equivalents	5 (iii)	5,118	7,062
Other Financial Assets	5 (i)	219,918	192,960
Other Current Assets	7	3,868	1,149
Total Current Assets		**247,072**	**228,326**
TOTAL ASSETS		**276,057**	**261,910**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	220,000	220,000
Other Equity	9	34,704	20,355
TOTAL EQUITY		**254,704**	**240,355**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Trade Payables	10(i)		
(a) Total outstanding dues of micro enterprises and small enterprises and		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,106	10,363
Other Financial Liabilities	10(ii)	8,908	6,009
Provisions	11	3,975	3,631
Other Current Liabilities	12	1,364	1,552
TOTAL LIABILITIES		**21,353**	**21,555**
TOTAL EQUITY AND LIABILITIES		**276,057**	**261,910**

0 represents amount is below the rounding off norm adopted by the Company
The accompanying notes form an integral part of the these financial statements.
As per our report of even date

For SCV & Co. LLP
Firm Registration No.: 000235N/N500089
Chartered Accountants

Sunny Singh
Partner
Membership No. 516834

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Process Excellence Limited

P. Rajendran
Director
DIN - 00042531

Amit Roy
Director
DIN - 07138197

Gaurav Relhan
Chief Financial Officer

Rahul Handa
Company Secretary

Place: Gurugram
Date: April 30, 2019

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

NIIT Institute of Process Excellence Ltd. * New Delhi

NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Statement of Profit and Loss for the year ended March 31, 2019

(All amounts are in Rs. thousands, unless otherwise stated)

	Note	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from Operations	13	86,073	136,193
Other Income	14	20,132	16,516
Total Income		**106,205**	**152,709**
Expenses			
Employee Benefits Expense	15	47,799	56,531
Professional & Technical Outsourcing Expenses		28,493	52,586
Finance Costs	16	1	-
Depreciation and Amortisation Expense	3 & 4	176	188
Other Expenses	17	10,129	15,754
Total Expenses		**86,598**	**125,059**
Profit before tax		**19,607**	**27,650**
Tax expense:	18		
-Current Tax		5,383	5,649
-Deferred Tax		37	(2,312)
Total tax expense		**5,420**	**3,337**
Profit for the year		**14,187**	**24,313**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
a) Remeasurement of the defined benefit obligation		225	(725)
b) Income tax relating to these items		(63)	213
Other comprehensive income for the year, net of tax		**162**	**(512)**
Total comprehensive income for the year		**14,349**	**23,801**
Earnings per equity share (face value Rs. 10 each):	22		
-Basic and Diluted		0.64	1.11

The accompanying notes form an integral part of these financial statements.
As per our report of even date

For SCV & Co. LLP
Firm Registration No.: 000235N/N500089
Chartered Accountants

Sunny Singh
Partner
Membership No. 516834

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of NIIT Institute of Process Excellence Limited

P. Rajendran
Director
DIN - 00042531

Amit Roy
Director
DIN - 07138197

Gaurav Relhan
Chief Financial Officer

Rahul Handa
Company Secretary

Place: Gurugram
Date: April 30, 2019

SCV & Co. LLP New Delhi NCR Chartered Accountants

NIIT Institute of Process Excellence Ltd. New Delhi

NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Statement of changes in equity for the year ended March 31, 2019

(All amounts are in Rs. thousands, unless otherwise stated)

a) Equity Share Capital

Particulars	Numbers	Amount
Equity share of Rs.10 each issued, subscribed and fully paid		
Balance as at April 1, 2017	22,000,000	220,000
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	22,000,000	220,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	22,000,000	220,000

b) Other Equity

Particulars	Retained Earnings
Balance as at April 1, 2017	(3,446)
Profit for the year	24,313
Other comprehensive income (net of tax)	(512)
Balance as at 31 March 2018	20,355
Changes in equity for 2019	
Profit for the year	14,187
Other comprehensive income (net of tax)	162
Balance as at March 31, 2019	34,704

The accompanying notes form an integral part of the these financial statements.
As per our report of even date

For SCV & Co. LLP
Firm Registration No.: 000235N/N500089
Chartered Accountants

Sunny Singh
Partner
Membership No. 516834

Place: Gurugram
Date: April 30, 2019

SCV & Co. LLP * New Delhi NCR * Chartered Accountants

NIIT Institute of Process Excellence Ltd. * New Delhi

For and on behalf of the Board of Directors of NIIT Institute of Process Excellence Limited

P. Rajendran
Director
DIN - 00042531

Amit Roy
Director
DIN - 07138197

Gaurav Relhan
Chief Financial Officer

Rahul Handa
Company Secretary

Place: Gurugram
Date: April 30, 2019

NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Cash Flow Statement for the year ended March 31, 2019

(All amounts are in Rs. thousands, unless otherwise stated)

		Year ended			
		March 31, 2019		March 31, 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before tax		**19,607**		**27,650**
	Add / (Less):				
	Depreciation and Amortisation	176		188	
	Allowance for Doubtful Debts	1,221		955	
	Unrealised Foreign Exchange (Gain)/ Loss	-		1	
	Finance Cost	1		-	
	Interest Income	(20,119)		(16,372)	
	Loss/(Profit) on sale of Fixed Assets	(1)	(18,722)	(137)	(15,365)
	Operating Profit before Working Capital Changes		**885**		**12,285**
	Changes in operating assets and liabilities				
	Increase/ (Decrease) in Trade Payables	(3,257)		(3,040)	
	Increase/ (Decrease) in Short Term Provisions	507		(98)	
	Increase/ (Decrease) in Other Current Liabilities	(187)		(1,257)	
	Increase/ (Decrease) in Other Current Financial Liabilities	2,898		(2,315)	
	(Increase)/ Decrease in Current Trade Receivables	7,767		(7,731)	
	(Increase)/ Decrease in Non-Current Financial Assets	159		-	
	(Increase)/ Decrease in Current Financial Assets	23		24,068	
	(Increase)/ Decrease in Other Current Assets	(2,719)		5,031	
	(Increase)/ Decrease in Other Bank Balances	-	**5,191**	10,000	24,657
	Cash generated from operations		**6,076**		**36,942**
	Direct Tax- (paid including TDS)/ refund received (net)		(1,109)		(4,602)
	Net Cash from Operating activities (A)		**4,967**		**32,340**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Purchase of Fixed Assets (including Capital Work-in-progress, internally developed intangibles and Capital Advances)		(48)		(142)
	Proceeds from sale of Fixed Assets		1		163
	Interest received		19,139		16,000
	Loan Given to Holding Company		(210,000)		(184,000)
	Loan Given to Holding Company received back		184,000		124,000
	Net Cash used in Investing activities (B)		**(6,908)**		**(43,979)**

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NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Cash Flow Statement for the year ended March 31, 2019

(All amounts are in Rs. thousands, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Finance Cost	(1)	-
Net Cash from/ (used in) Financing activities (C)	**(1)**	**-**
Net Increase/(Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	**(1,944)**	**(11,639)**
Cash and Cash Equivalents as at the beginning of the year (Footnote 1)	**7,062**	**18,701**
Cash and cash Equivalents as at the end of the year (Footnote 1)	**5,118**	**7,062**

Notes:

	March 31, 2019	March 31, 2018
1 Cash and Cash Equivalents		
Balance with Banks		
-Current Accounts	4,034	2,062
-Bank deposits with original maturity of 3 months or less	-	5,000
Cheque on hand	1,084	-
Cash and Cash Equivalents as at the end of the year	**5,118**	**7,062**

The accompanying Notes form an integral part of these financial statements.
As per our report of even date

For SCV & Co. LLP
Firm Registration No.: 000235N/N500089
Chartered Accountants

Sunny Singh
Partner
Membership No. 516834

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Process Excellence Limited

P. Rajendran
Director
DIN - 00042531

Amit Roy
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NIIT Institute of Process Excellence Limited
CIN: U72300DL2008PLC176254
Notes to the Financial Statements for the year ended March 31, 2019

1 COMPANY INFORMATION

NIIT Institute of Process Excellence Limited ('the Company') is a talent development company which was set up in 2008. The Company currently offers learning and knowledge solutions across the globe to enterprises and various institutions. The Company is a public limited Company. The registered place of business of the Company is : 8, Balaji Estate, First Floor Guru Ravi Das Marg, Kalkaji New Delhi 110019, India.

2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.a) Basis of preparation

(i) Compliance with Ind AS

These financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in thousands of Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest Thousand, except per share data and unless stated otherwise.

The financial statements were authorised for issue by the Board of Directors of the Company on April 30, 2019.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- financial assets and liabilities (including derivative instruments) that are measured at fair value or amortised cost
- Defined benefit plans – plan assets measured at fair value
- Share-based payments (ESOP's)

b) Current - non-current classification

All assets and liabilities are classified into current and non-current as follows:

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

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Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Company has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.

On certain contracts, where the Company acts as agent, only commission and fees receivable for services rendered are recognised as revenue. Any third party costs incurred on behalf of the principal that are rechargeable under the contractual arrangement are not included in revenue.

Revenue in respect of sale of courseware and other physical deliverables is recognised at a point in time when these are delivered, the legal title is passed and the customer has accepted the courseware and other physical deliverables.

In other cases, where courseware is not considered a separate component under a contract, revenue from the composite course is recognised over the period of the training or the contract period, depending upon the terms and conditions.

Revenue for providing Technical Information and Reference Material (TIRM) to the business partners is recognised over the period of the contract.

d) Other Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The manager and CFO of the Company are considered as chief operating decision makers who assesse the financial performance and position of the Company, and make strategic decisions.

f) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted in India at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current tax and deferred tax are recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, as the case may be.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement and deferred tax.

g) Other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Any subsequent change in the fair value is charged to profit or loss.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted under Ind AS 109 "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables.

h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

i) Trade receivables

Trade receivables are recognized initially at fair value and subsequently adjusted for expected credit loss using the effective interest

j) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and at deemed cost for the assets acquired prior to transition to Ind AS i.e April 01, 2016. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Description of Assets	Useful life
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipment	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
All other assets (including vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on a pro-rata basis on the straight line method over the useful lives of the assets. The depreciation charge for each period is recognized in the Statement of Profit and Loss. The residual values is considered as nil.

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The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

k) Intangible assets

Computer software - acquired

Shown at acquisition cost and are subsequently carried at cost less accumulated amortisation and impairment losses and at deemed cost for the assets acquired prior to transition to Ind AS i.e April 01, 2016

Education content/products-Internally generated

Development costs that are directly attributable to the design, development and testing of identifiable and unique educational content / products controlled by the Company are recognized as intangible assets when the following criteria are met:

• it is technically feasible to complete the development so that it will be available for use;
• management intends to complete the content / products and use;
• there is an ability to use or sell content / products.
• it can be demonstrated how the content / product will generate probable future economic benefits;
• adequate technical, financial and other resources to complete the development and to use or sell the content / product are available, and
• the expenditure attributable to the content / product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the intangible include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Amortisation methods and periods

Intangible assets are amortised on a straight line basis over their estimated useful lives which are as follows:

Particulars	Useful lifes
Internally generated (Software, content and products)	3-5 years
Acquired (Software, content and products)	3-5 years

l) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

n) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

o) Employee benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

The Company operates the following post-employment schemes:

- Defined benefit plans such as Gratuity and Compensated Absences.
- Defined contribution plan such as Provident Fund, Superannuation Fund, Pension Fund and National Pension System.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation are recognized immediately in profit or loss as past service cost.

Compensated absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Company has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognized in the statement of profit and loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilized entitlement at the year end.

Provident fund

The Company makes contribution to the "NIIT Limited Employees' Provident Fund Trust", which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Superannuation

The Company makes defined contribution, to the Trust established for the purpose by the Holding Company. Contribution made towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Statement of Profit and Loss.

Pension Fund

The Company makes defined contribution to a government administered pension fund towards it's pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions. The contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

National Pension System

The Company makes defined contribution towards National Pension System for certain employees for which Company has no further obligation. Contributions made during the year are charged to Statement of Profit and Loss.

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p) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

q) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 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 to/ by the Company.

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: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

2.1 Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

- Measurement of defined benefit obligations: key actuarial assumptions - refer note 2 (o).
- Measurement of useful life and residual values of property, plant and equipment - refer note 2 (j).
- Fair value measurement of financial instruments - refer note 2 (r).
- Judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement - refer note 2 (f).

There are no major assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year.

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2.2 Recent accounting pronouncements

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The effect on adoption of Ind AS 116 would be insignificant in the company's IndAS financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the company's IndAS financial statements.

Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April1, 2019. The Company is currently evaluating the effect of this amendment on its IndAS financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement –On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

- to recognise in profit or loss as part of past service cost, or again or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

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3 **Property, Plant and Equipment**

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Office Equipments	Total
Year end March 31, 2018					
Opening gross carrying amount as on April 1, 2017	558	33	2	0	593
Additions	146	-	-	-	146
Disposals	101	-	2	-	103
Closing Gross Carrying Amount #	**603**	**33**	**0**	**0**	**636**
Accumulated Depreciation					
Opening accumulated depreciation	228	19	2	-	248
Depreciation charged during the year	159	14	-	-	173
Disposals	72	-	2	-	74
Closing accumulated depreciation	**314**	**33**	-	-	**347**
Net Carrying Amount #	**289**	-	**0**	**0**	**289**
Year end March 31, 2019					
Gross Carrying amount	603	33	0	0	636
Additions	48	-	-	-	48
Disposals	0	-	-	0	0
Closing Gross Carrying Amount #	**651**	**33**	**0**	**0**	**684**
Accumulated Depreciation					
Opening accumulated depreciation	314	33	-	-	347
Depreciation charged during the year	176	-	-	-	176
Disposals	-	-	-	-	-
Closing accumulated depreciation	**490**	**33**	-	-	**523**
Net Carrying Amount #	**161**	-	**0**	**0**	**161**

4 **Intangible Assets**

Particulars	Educational Content/ Products Internally Generated	Software Acquired	Total Intangibles
Year end March 31, 2018			
Gross carrying amount			
Deemed cost as at April 1, 2017	628	45	673
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	**628**	**45**	**673**
Accumulated Amortisation and Impairment			
Opening accumulated depreciaiton	628	30	658
Amortisation charge for the year	-	15	15
Closing accumulated amortisation	**628**	**45**	**673**
Net Carrying Amount #	-	**0**	**0**
Year end March 31, 2019			
Gross carrying amount			
Opening gross amount	628	45	673
Additions	-	-	-
Disposals	-	-	-
Closing Gross Carrying Amount	**628**	**45**	**673**
Accumulated Amortisation and Impairment			
Opening accumulated depreciaiton	628	45	673
Amortisation charge for the year	-	0	0
Closing accumulated amortisation	**628**	**45**	**673**
Net Carrying Amount #	-	**0**	**0**

0 represents amount is below the rounding off norm adopted by the Company

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5 Financial Assets

(All amounts are in Rs. thousands, unless otherwise stated)

5 (i) Other Financial Assets	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
	Non Current		**Current**	
a) Security Deposits Receivable				
Unsecured, considered good	-	-	160	30
	-	**-**	**160**	**30**
b) Unbilled Revenue				
Unbilled Revenue	-	-	-	160
	-	**-**	**-**	**160**
c) Interest Receivable	-	-	9,750	8,770
	-		**9,750**	**8,770**
d) Other Receivables	-		8	-
	-	**-**	**8**	**-**
e) Long term deposits with bank				
With original maturity of more than 12 months	-	159	-	-
	-	**159**	**-**	**-**
f) Loans to related parties				
Unsecured, considered good*	-	-	210,000	184,000
	-	**-**	**210,000**	**184,000**
Total	**-**	**159**	**219,918**	**192,960**

* Disclousre u/s 186 (4) of the Companies Act 2013, Loan given to holding company for meeting their working capital requirement, maximum outstanding balance during the financial year 2019 Rs. 210,000 thousands (Previous year Rs 184,000 thousands)

5 (ii) Trade Receivables	**March 31, 2019**	**March 31, 2018**
	Current	
Unsecured, considered good	18,168	27,155
Unsecured - credit impaired	2,210	2,124
Less: Allowance for doubtful debts (Expected Credit Loss)	(2,210)	(2,124)
	18,168	**27,155**
Total	**18,168**	**27,155**

5 (iii) Cash and cash equivalents:	**March 31, 2019**	**March 31, 2018**
Balance with banks		
-Current Accounts	4,034	2,062
-Bank deposits with original maturity of 3 months or less	-	5,000
Cheque on hand	1,084	-
Total	**5,118**	**7,062**

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6 Deferred tax assets (Net)

The balance comprises temporary differences attributable to:	March 31, 2019	March 31, 2018
Provisions	615	585
Defined benefit obligations	1,347	1,261
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation.	1,596	1,811
Minimum alternate tax credit entitlement*	7,992	9,357
Deferred tax assets (net)	**11,550**	**13,014**

Deferred tax assets on timing differences have been recognized as at March 31, 2019 owing to probability of future taxable income based on business plans of the Company

Movement in deferred tax assets

	Fixed Assets	Defined benefit obligations	Provisions	Minimum alternate tax credit entitlement*	Total
At 1 April 2017	-	-	-	10,489	**10,489**
(charged)/credited:					
- to profit or loss	1,811	1,048	585	(1,132)	**2,312**
- to other comprehensive income	-	213	-	-	**213**
At 31 March 2018	**1,811**	**1,261**	**585**	**9,357**	**13,014**
(charged)/credited:					
- to profit or loss	(215)	149	30	(1,365)	**(1,401)**
- to other comprehensive income		(63)		-	**(63)**
At 31 March 2019	**1,596**	**1,347**	**615**	**7,992**	**11,550**

* Including MAT credit utilisation forming part of Current year Tax of Rs. 1,357 thousands.

6 (i) Income Tax Assets (Net)

	March 31, 2019	March 31, 2018
	Non-Current	
Advance Income Tax	26,942	35,026
Less : Provision for Income Tax	(9,668)	(14,904)
	17,274	20,122

7 OTHER ASSETS

	March 31, 2019	March 31, 2018
	Current	
(a) Advances recoverable in cash or in kind		
Secured, considered good		
Unsecured, considered good	2,423	965
Unsecured - credit impaired	-	264
Less: Allowance for doubtful advances (Expected Credit Loss)	-	(264)
	2,423	965
(b) Other Advances		
Other taxes recoverable	1,445	184
	1,445	184
Total (a+b)	3,868	1,149

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8 Equity share capital

a) Authorized equity share capital

Particulars	Equity shares	
	Number of shares	Amount
As at April 01, 2017	25,000,000	250,000
Issued during the year	-	-
As at March 31, 2018	25,000,000	250,000
Issued during the year	-	-
As at March 31, 2019	**25,000,000**	**250,000**

b) Movement in equity share capital

Particulars	Equity shares	
	Number of shares	Amount
As at April 01, 2017	22,000,000	220,000
Issued during the year	-	-
As at March 31, 2018	22,000,000	220,000
Issued during the year	-	-
As at March 31, 2019	**22,000,000**	**220,000**

c) Detail of class of shares held by the Company	Name of the Company	Class of shares	March 31, 2019 No. of shares	March 31, 2018 No. of shares
Holding Company	NIIT Limited	Equity	16,500,000	16,500,000

d) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at			
	March 31, 2019		March 31, 2018	
	No. of shares	of holding	No. of shares	% of holding
NIIT Limited	16,500,000	75%	16,500,000	75%
Genpact Consulting (Singapore) Pte. Ltd	5,500,000	25%	5,500,000	25%
Total	**22,000,000**	**100%**	**22,000,000**	**100%**

e) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their holding.

9 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Surplus in Statement of Profit and Loss	34,704	20,355
	34,704	**20,355**

9.1 Details of Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Surplus in Statement of Profit and Loss		
Balance brought forward from previous year	20,355	(3,446)
Add: Current year profit attributable to shareholders	14,187	24,313
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post employment benefit obligation (net of tax)	162	(512)
Total	**34,704**	**20,355**

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10 Financial Liabilities

10(i) Trade Payables

	March 31, 2019	March 31, 2018
	Current	
Total outstanding dues of micro enterprises and small enterprises and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,106	10,363
	7,106	10,363

* 'Includes trade payables to related parties of Rs. 4,041 thousand (Previous year Rs. 2,317 thousand)

Parties covered under Micro, Small and Medium-Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2019 have been identified on the basis of information available with the company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

Particulars	March 31, 2019	March 31, 2018
a) the principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	-	-
ii) Interest thereon	-	-
b) the amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	69	-
ii) Interest thereon	1	-
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

10(ii) Other Financial Liabilities

	March 31, 2019	March 31, 2018
	Current	
Other Payables - Employees	8,908	6,009
	8,908	6,009

11 Provisions

	March 31, 2019	March 31, 2018
	Current	
Provision for Employee Benefits :		
-Provision for Gratuity (Refer note 21)	2,273	1,879
-Provision for Compensated Absences	1,702	1,752
	3,975	3,631

12 Other Liabilities

	March 31, 2019	March 31, 2018
	Current	
Advances from Customers	565	590
Statutory Dues	799	962
	1,364	1,552

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(All amounts are in Rs. thousands, unless otherwise stated)

13 Revenue From Operations	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Services	86,073	136,193
	86,073	136,193

14 Other Income	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income	20,119	16,372
Gain on Sale of Fixed Assets (Net)	1	137
Other Non-Operating Income	12	7
	20,132	16,516

15 Employee Benefits Expense	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and Benefits	44,709	53,946
Contribution to Provident and other Funds (Refer note 21)	2,214	2,179
Employees Stock Option Expenses*	551	66
Welfare and Other expenses	325	340
	47,799	56,531

*Employees Stock Option Expenses paid to Holding Company

16 Finance Costs	Year ended March 31, 2019	Year ended March 31, 2018
Interest Expense	1	-
	1	-

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(All amounts are in Rs. thousands, unless otherwise stated)

			Year ended	
17	**Other Expenses**		**March 31, 2019**	**March 31, 2018**
	Equipment Hiring		6	233
	Rent		2,016	1,968
	Rates and Taxes		5	5
	Power & Fuel		265	253
	Communication		122	1,531
	Legal and Professional (Refer Note 17.1)		1,447	1,933
	Management Cost Recovery by Holding Company		3,194	5,199
	Travelling and Conveyance		1,367	2,678
	Allowance for Doubtful Debts		1,221	955
	Bad debts Written off	1,135	-	-
	Less:-Allowance for Doubtful Debts written back	(1,135)		
	Insurance		64	61
	Repairs and Maintenance			
	- Plant and Machinery		60	469
	- Buildings		13	5
	- Others		259	198
	Consumables		12	40
	Loss on Foreign Currency Translation and Transaction (net)		0	1
	Security and Administration Services		59	63
	Bank Charges		1	2
	Marketing & Advertising Expenses		11	6
	Sundry Expenses		7	154
			10,129	**15,754**

		Year ended	
17.1	**Payment to Auditors**	**March 31, 2019**	**March 31, 2018**
	As Auditor		
	- Audit Fee	125	100
	- Tax Audit Fee	50	40
	- Other	0	18
	- Reimbursement of expenses (including taxes)	32	36
		207	**194**

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18 Income tax expense

(a) Income tax expense	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
Current tax on profits for the year	5,375	5,649
Adjustments for current tax of prior periods	8	-
Total current tax expense	**5,383**	**5,649**
Deferred tax		
Decrease (increase) in deferred tax assets	37	(3,444)
Decrease /(increase) in minimum alternate tax credit	-	1,132
Total deferred tax expense/(benefit)	**37**	**(2,312)**
Income tax expense	**5,420**	**3,337**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:	Year ended March 31, 2019	Year ended March 31, 2018
Profit before income tax expense	19,607	27,650
Tax at the Indian tax rate of (FY 2018-19 27.82%) (FY 2017-18 27.55%)	5,455	7,617
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Adjustment for Taxes relating to earlier years	8	-
- Utilization of previously unrecognized Tax losses	-	(618)
- Deferred Tax Asset created on temporary difference	-	(3,657)
- Others	(43)	(5)
Income tax expense	**5,420**	**3,337**

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19 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- The fair value of forward foreign exchange contracts is determined using Mark to Market Valuation by the respective bank at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial instruments by category and hierarchy of measurement

	March 31, 2019	March 31, 2018
	Amortised cost	Amortised cost
	Level 3	Level 3
Financial assets		
Trade receivables	18,168	27,155
Loans	210,000	184,000
Cash and Bank Balances	5,118	7,062
Other Financial Assets	9,918	9,119
Total financial assets	**243,204**	**227,336**
Financial liabilities		
Trade payables	7,106	10,363
Other Financial Liabilities	8,908	6,009
Total financial liabilities	**16,014**	**16,372**

As of March 31, 2019 and March 31, 2018, the fair value of cash and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

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20 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 18,168 thousands and Rs. 27,155 thousands as of March 31, 2019 and March 31, 2018, respectively and unbilled revenue amounting to Rs. Nil thousands and Rs. 160 thousands as of March 31, 2019 and March 31, 2018, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through subsidiaries, government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2019:

Reconciliation of loss allowance provision – Trade receivables

Particulars	Amount
Loss allowance on April 1, 2017	1,169
Changes in loss allowance	955
Loss allowance on March 31, 2018	**2,124**
Changes in loss allowance	
Add: Additional provision created	1,221
Less: Bad Debts written off	(1,135)
Loss allowance on March 31, 2019	**2,210**

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings except term loans and working capital limits from banks. The term loans are secured against hypothecation of the vehicles (refer Note 14), and working capital limit is secured by a first charge on the book debts of the Company and by a second charge on movable assets of the Company . However, the Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities:	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
March 31, 2019				
Trade payables	7,106	-	-	7,106
Other financial liabilities	8,908	-	-	8,908
Total non-derivative liabilities	**16,014**	-	-	**16,014**
March 31, 2018				
Trade payables	10,363	-	-	10,363
Other financial liabilities	6,009	-	-	6,009
Total non-derivative liabilities	**16,372**	-	-	**16,372**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant Borrowings on the financial statements. Hence, there is no significant concentration of interest rate risk.

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21 Employee Benefits

A) Defined Contribution Plans

The Company makes contribution towards Provident Fund, Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in Contribution to Provident and Other Funds in the Statement of Profit and Loss (Refer note 15):-

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Employers' Contribution to Provident Fund	852	826
Employers' Contribution to Superannuation Fund	39	-
Employers' Contribution to Employees Pension Scheme	647	798
Employers' Contribution to Employee National Pension System	38	-
Total	**1,576**	**1,624**

Contribution towards Superannuation Fund to the defined contribution plans includes following cost for Key Managerial Personnel:

	Year ended March 31, 2019	Year ended March 31, 2018
Employers' Contribution to Provident Fund	183	151
Employers' Contribution to Employees Pension Scheme	29	30
Employers' Contribution to Employee National Pension System	38	-
Total	**250**	**181**

B) Defined Benefit Plans

I. Gratuity Fund

I. Funded

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	2,606	2,453
Interest cost	192	134
Current service cost	497	506
Benefits paid	(84)	(1,070)
Acquisition adjustment	(145)	(147)
Actuarial (gain)/ loss on obligations	(222)	730
Present value of obligation as at the year end	**2,844**	**2,606**

ii) Change in Plan Assets:-	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of Plan Assets as at the beginning of the year	727	1,608
Acquisition adjustment	(145)	(147)
Expected return on Plan Assets	52	84
Contributions	18	247
Benefits Paid	(84)	(1,070)
Actuarial (loss)/ gain on Plan Assets	3	5
Fair value of Plan Assets as at the end of the year	**571**	**727**

Actuary's estimates of contributions for the next financial year is Rs. 2,273 thousands (March 31, 2018 Rs. 1,879 thousands).

iii) Amount of Asset/ (Obligation) recognised in the Balance Sheet:-	Fair value of Plan Assets as at the end of the year	Present value of obligation as at the end of the year	Assets/ (obligation) recognised in Balance Sheet*
As at March 31, 2019	571	2,844	(2,273)
As at March 31, 2018	727	2,606	(1,879)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
iv) Net Gratuity Cost recognised in Statement of Profit and Loss:-		
Current service cost	497	506
Interest cost	140	50
Expense recognised in Statement of Profit and Loss	**637**	**556**
Actual return on plan assets	54	89

*Includes Rs.300 thousand (previous year Rs.307 thousand) towards key managerial personnel.

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v) Gratuity Cost recognised in other comprehensive income:-		
Net Actuarial (gain)/ loss recognised during the year	(222)	730
Return on plan asset (greater)/less than discount rate	(3)	(5)
Expense / (income) recognized in other comprehensive income	**(225)**	**725**

	As at	
v) Assumptions used in accounting for gratuity plan:-	**March 31, 2019**	**March 31, 2018**
Discount Rate (Per Annum)	7.25%	7.50%
Future Salary Increase	11% for FY 2019-20 & 8% thereafter	11% for first 2 years & 8% thereafter
Expected Rate of return on plan assets	7.65%	8.45%

Estimates of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vi) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Group and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2019	**March 31, 2019**	**March 31, 2019**
Discount rate	0.50%	(153)	166
Salary growth rate	0.50%	164	(153)
Withdrawal rate	5%	(149)	147

		Impact on defined benefit obligation	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2018	**March 31, 2018**	**March 31, 2018**
Discount rate	0.50%	(135)	145
Salary growth rate	0.50%	143	(134)
Withdrawal rate	5%	(99)	102

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment, regulatory changes etc. The Company ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the Company's asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

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22 Earnings Per Share

	Year ended	
	March 31, 2019	**March 31, 2018**
Profit attributable to Equity Shareholders (Rs. thousands) (A)	14,187	24,313
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	22,000,000	22,000,000
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (C)	22,000,000	22,000,000
Nominal Value of Equity Shares (Rs.)	10	10
Basic Earnings per Share (Rs.) (A/B)	0.64	1.11
Diluted Earnings per Share (Rs.) (A/C)	0.64	1.11

23 Related Party Transactions

A. Related party relationship where control exists:
Holding Company - NIIT Limited

B. Fellow Subsidiaries
1 NIIT Institute of Finance Banking and Insurance Training Limited
2 NIIT Yuva Jyoti Limited
3 Mindchampion Learning Systems Limited
4 NIIT USA Inc, USA
5 NIIT Limited, UK
6 NIIT Malaysia Sdn. Bhd, Malaysia
7 NIIT West Africa Limited
8 NIIT GC Limited, Mauritius
9 NIIT (Ireland) Limited
10 NIIT Learning Solutions (Canada) Limited
11 Eagle international Institute Inc. USA
12 Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 11)
13 NIIT Antilles NV, Netherlands Antilles (liquidated w.e.f. November 23, 2017)
14 PT NIIT Indonesia, Indonesia (under liquidation)
15 NIIT China (Shanghai) Limited, Shanghai
16 NIIT Wuxi Service Outsourcing Training School, China (Memorandum of Understanding was executed to sell on April 1, 2017)
17 Wuxi NIIT Information Technology Consulting Limited, China (agreement to sell entered on March 31, 2018)
18 Su Zhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17)
19 Changzhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17)
20 Zhangjiagang NIIT Information Services Limited, China
21 Qingdao NIIT Information Technology Company Limited, China (closed w.e.f. January 31, 2018)
22 Chengmai NIIT Information Technology Company Limited, China
23 Chongqing An Dao Education Consulting Limited, China
24 Chongqing NIIT Education Consulting Limited, China
25 NIIT (NingXia) Education Technology Company Limited, China (incorporated w.e.f. May 19, 2017)
26 Dafeng NIIT information technology Co., Limited, China (closed w.e.f. October 25, 2017)
27 Guizhou NIIT information technology consulting Co., Limited, China
28 NIIT (Guizhou) Education Technology Co., Limited, China

C. Other related parties with whom the Company has transacted:
i) Parties of whom the Company is an associate:
Genpact India Private Limited
Genpact Consulting (Singapore) Pte. Limited
Genpact Services LLC, India Branch
NIIT Smart Serve Limited (Subsidiary of NIIT Technology Limited)

ii) Key Managerial Personnel:
Sanjeev Dhar- Manager (Till December 31, 2018)
Sunil Mavinkurve- Manager (w.e.f. February 01, 2019)
Gaurav Relhan - Chief Financial Officer

	Year ended	
D. Key management personnel compensation	**March 31, 2019**	**March 31, 2018**
Short-term employee benefits	7,192	6,124
Post-employment benefits	511	578
Share-based payment	268	408
Total compensation	**7,971**	**7,110**

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E. Details of significant transactions and balances with related parties :

Nature of Transactions*	Holding Company	Others	Key Managerial Personnel	Total
Services Rendered	2,005	79,218	Nil	**81,223**
Revenue	(Nil)	(120,542)	(Nil)	**(120,542)**
Loan Given	210,000	Nil	Nil	**210,000**
	(184,000)	(Nil)	(Nil)	**(184,000)**
Interest received on loan given	18,273	Nil	Nil	**18,273**
	(14,408)	(Nil)	(Nil)	**(14,408)**
Loan Given Received Back	184,000	Nil	Nil	**184,000**
	(124,000)	(Nil)	(Nil)	**(124,000)**
Recovery of Expenses By	4,489	4,646	Nil	**9,136**
	(1,565)	(Nil)	(Nil)	**(1,565)**
Recovery of Expenses From	Nil	1,022	Nil	**1,022**
	(Nil)	(Nil)	(Nil)	**Nil**
Management Charges	3,194	Nil	Nil	**3,194**
Other Expenses	(5,129)	(Nil)	(Nil)	**(5,129)**
Remuneration	Nil	Nil	7,971	**7,971**
	(Nil)	(Nil)	(7,110)	**(7,110)**

* Excluding taxes

Figures in parenthesis represent previous year figures

F. Details of outstanding balances with related parties :

Nature of Transactions	Holding Company	Others	Key Managerial Personnel	Total
Receivable	10,932	15,192	10	26,134
	(8,752)	(18,310)	Nil	(27,062)
Loan Receivable	210,000	Nil	Nil	210,000
	(184,000)	(Nil)	(Nil)	(184,000)
Payable	4,041	Nil	347	4,388
	(2,317)	(Nil)	(140)	(2,457)

Previous year figures are in parentheses.

G. Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates. The interest rate on the other loans during the year was 9.05% -10.25 % (March 31, 2018 – 8.40% - 9.40%).

All outstanding balances are unsecured and are repayable in cash.

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24 Segment Information

The Company is engaged in providing Education & Training Services in a single geography. Based on "Management Approach" , as defined in Ind AS 108 – Segment Reporting, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Company as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Segment Reporting.

Revenue from one customer amounting to Rs 79,218 thousands (Previous year: Rs 120,542 thousands) , arising from sale of Services.

25 Leases

Operating Leases:

The Company has entered into leases for office premises and employee accommodations which are cancelable at the option of the Company by giving the requisite notice. Aggregate payments during the year under operating leases are as shown hereunder:

Particulars	**Year ended**	
	March 31, 2019	**March 31, 2018**
In respect of premises	964	930
In respect of Vehicles	1,052	1,038
Total	**2,016**	**1,968**

26 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

a. Disaggregated revenue information	**March 31, 2019**
Type of Services	
Revenue from Training Services	86,073
	86,073
Timing of Revenue Recognition	
Services transferred over time (Training Services)	86,073
	86,073
b. Trade receivables and Contract Customers	
Trade Receivables	**18,168**
	18,168

Trade receivables are non-interest bearing and are generally on terms of 0- 60 days. As on date a sum of Rs. 2,210 thousands is recognised as provision for expected credit losses on trade receivables.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on March 31, 2019, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

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27 Previous years' figures have been regrouped and reclassified, wherever necessary, to conform to those of the current years.

Signature to Notes '1' to '27' of these financial statements.

For SCV & Co. LLP
Firm Registration No.: 000235N/N500089
Chartered Accountants

Sunny Singh
Partner
Membership No. 516834

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of NIIT Institute of Process Excellence Limited

P. Rajendran
Director
DIN - 00042531

Amit Roy
Director
DIN - 07138197

Gaurav Relhan
Chief Financial Officer

Rahul Handa
Company Secretary

Place: Gurugram
Date: April 30, 2019

SCV & Co. LLP New Delhi NCR Chartered Accountants

NIIT Institute of Process Excellence Ltd. New Delhi