NIIT Institute of Finance Banking and Insurance Training Limited

Statutory Audit for the year ended March 31, 2019

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of NIIT Institute of Finance Banking and Insurance Training 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 Finance Banking and Insurance Training Limited ("the Company"), which comprise the Balance sheet as at March 31 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 March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity 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 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, 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.

S.R. Batliboi & Associates LLP Gurugram

Responsibility of Management 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, cash flows and changes in equity 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 the 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 Responsibilities 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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Gurugram

- 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.

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 1" 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 the Statement of 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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(g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 20 to the Ind AS financial statements;

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 S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sanjay Bachchani
Partner
Membership Number: 400419

Place: Gurugram
Date: April 30, 2019

Annexure 1
Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements' of our report of even date

Re: NIIT Institute of Finance Banking and Insurance Training Limited ('the Company')

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

(b) The property, plant & equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii)(a) The Company has granted loans to a Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated for the loans granted and repayment/receipts are regular.

(c) There are no amounts of loans granted to Company listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

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Gurugram

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise & custom are not applicable to the Company.

(b) 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, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of service tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	32,352,344	June 2008 to February 2010	Commissioner of Service Tax, Delhi-II

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company 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, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sanjay Bachchani
Partner
Membership No.: 400419

S.R. Batliboi & Associates LLP Gurugram

Place: Gurugram
Date: April 30, 2019

Annexure 2
Annexure referred to in paragraph 2(f) of 'Report on other Legal and Regulatory Requirements' of our report of even date

Re: NIIT Institute of Finance Banking and Insurance Training Limited ('the Company')

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 Finance Banking and Insurance Training 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 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 internal financial controls over financial reporting with reference to these Ind AS financial statements.

S.R. Batliboi & Associates LLP
Gurugram

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements 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 S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Gurugram

Sanjay Bachchani
Partner
Membership Number: 400419

Place: Gurugram
Date: April 30, 2019

NIIT Institute of Finance Banking and Insurance Training Limited

CIN: U80903DL2006PLC149721

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	71	66
Other intangible assets	4	-	115
Intangible assets under development	4	7,442	-
Financial assets			
Other financial assets	5 (i)	11,210	9,574
Deferred tax assets (net)	6	8,848	13,336
Income Tax Assets (net)	6 (i)	8,714	4,475
Total non-current assets		**36,285**	**27,566**
Current assets			
Financial assets			
Investments	5 (ii)	5,014	-
Trade receivables	5 (iii)	30,632	16,336
Cash and cash equivalents	5 (iv)	22,040	14,127
Bank balances other than above	5 (v)	-	750
Other financial assets	5 (i)	81,417	99,904
Other current assets	7	3,459	3,934
Total current assets		**142,562**	**135,051**
TOTAL ASSETS		**178,847**	**162,617**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	101,125	101,125
Other equity	9	55,014	29,949
TOTAL EQUITY		**156,139**	**131,074**
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	10 (i)		
Total outstanding dues other than micro enterprises and small enterprises		16,434	19,986
Other financial liabilities	10 (ii)	2,469	2,695
Provisions	11	2,072	1,925
Other current liabilities	12	1,733	6,937
TOTAL LIABILITIES		**22,708**	**31,543**
TOTAL EQUITY AND LIABILITIES		**178,847**	**162,617**

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Finance Banking and Insurance Training Limited

P. Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Pankaj Mamtani
Chief Financial Officer

Arpita B. Malhotra
Company Secretary

Place: Gurugram
Date: April 30, 2019

NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
Statement of Profit and Loss for the year ended March 31, 2019

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

Particulars	Notes	March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	13	191,324	152,486
Other income	14	12,206	10,910
Total income		**203,530**	**163,396**
EXPENSES			
Employee benefits expense	15	12,960	11,741
Professional & technical outsourcing expenses		20,602	56,523
Course execution expenses		122,026	52,056
Depreciation and amortisation expense	3 & 4	170	593
Other expenses	16	13,359	12,348
Total expenses		**169,117**	**133,261**
Profit before tax		**34,413**	**30,135**
Income tax expense:			
Current tax	17 (i)	6,406	7,364
Deferred tax	17 (i)	3,229	641
Total tax expense		**9,635**	**8,005**
Profit for the year		**24,778**	**22,130**
Other comprehensive income / (expense)			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of the defined benefit obligations		398	(520)
- Income tax relating to these items	17 (ii)	(111)	143
Other comprehensive income for the year, net of tax		**287**	**(377)**
Total comprehensive income for the year		**25,065**	**21,753**
Earnings per equity share (face value Rs. 10 each):			
-Basic and Diluted	21	2.45	2.19

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

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Finance Banking and Insurance Training Limited

P. Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Pankaj Mamtani
Chief Financial Officer

Arpita B. Malhotra
Company Secretary

Place: Gurugram
Date: April 30, 2019

NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
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	Notes	Number	Amount
Equity share of Rs.10 each issued, subscribed and fully paid			
As at April 1, 2017	8	10,112,500	101,125
Changes in equity share capital during the year		-	-
As at March 31, 2018	8	10,112,500	101,125
Changes in equity share capital during the year		-	-
As at March 31, 2019	8	10,112,500	101,125

b) Other equity		Retained Earnings
As at April 1, 2017	9	8,196
Profit for the year		22,130
Other comprehensive income (net of tax)		(377)
As at March 31, 2018	9	29,949
Profit for the year		24,778
Other comprehensive income (net of tax)		287
As at March 31, 2019		55,014

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

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
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Chief Financial Officer

Arpita B. Malhotra
Company Secretary

Place: Gurugram
Date: April 30, 2019

NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
Cash Flow Statement for the year ended March 31, 2019

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

Particulars	March 31, 2019	March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	34,413	30,135
Adjustments to reconcile profit/ (loss) before tax to net cash flows:		
Depreciation and amortisation	170	593
Interest income	(8,664)	(7,026)
Profit on sale of Fixed Assets	(263)	-
Profit on sale of current investment	(98)	(1,766)
Allowance for doubtful debts	952	-
Allowance for doubtful advances and deposits	-	1,778
Provision/ other liabilities written back	(2,486)	(1,725)
Operating profit before working capital changes	24,024	21,989
Working Capital Adjustments:		
(Decrease) / increase /in trade payables	(3,552)	7,751
(Decrease) in other current liabilities	(5,204)	(4,041)
Increase in other financial liabilities current	2,260	2,170
Increase in short-term provisions	434	291
(Increase)/ decrease in current trade receivables	(15,248)	18,526
Decrease in other current assets	476	5,116
Decrease in other bank balances	750	6,900
(Increase)/ decrease in other financial assets current	(1,131)	227
(Increase) other financial assets non-current	(1,636)	(9,313)
Cash generated from operations	1,173	49,616
Direct tax paid (net of refunds)	(9,387)	(2,206)
Net cash (used in) / from operating activities (A)	(8,214)	47,410
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets (Including intangible assets under development)	(7,549)	(4)
Proceeds from sale of fixed assets	310	-
Sale of mutual funds	19,584	81,266
Purchase of mutual funds	(24,500)	(79,500)
Loans given to Holding Company	(75,000)	(95,000)
Loans given to Holding Company received back	95,000	40,000
Interest received	8,282	6,268
Net cash from/(used) in investing activities (B)	16,127	(46,970)
CASH FLOW FROM FINANCING ACTIVITIES:		
Net cash from/ (used in) financing activities (C)	-	-
Net increase in cash & cash equivalents (A) + (B) + (C)	7,913	440
Cash and cash equivalents as at the beginning of the year	14,127	13,687
Cash and cash equivalents as at the end of the year	22,040	14,127
Cash and cash equivalents		
Balance with banks		
Current accounts	3,427	7,454
Bank deposits with original maturity of 3 months or less	14,500	6,673
Cheques and drafts on hand	4,113	-
	22,040	14,127

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

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants

[illegible] Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Finance Banking and Insurance Training Limited

P. [illegible]ndran
Director
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Vijay K Thadani
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Place: Gurugram
Date: April 30, 2019

S.R. Batliboi & Associates LLP * Gurugram *

NIIT Institute of Finance Banking & Insurance Training Ltd. ★ Gurgaon

NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
Notes to the financial statements for the year ended March 31, 2019

1 Background of the Company

NIIT Institute of Finance, Banking and Insurance Training Limited ('the Company') is domiciled and incorporated in India as on June 14, 2006 with equity participation from NIIT Limited and ICICI Bank Limited. The main object of the Company is to provide training and training content in banking, finance & insurance sectors. The registered place of business of the Company is: 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019.

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.

(a) Basis of preparation

i) Compliance with Ind AS

The Ind AS financial statements ("financial statements") of the Company has been prepared to comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 (the Act) read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amended Rule, 2016 issued by the Ministry of Corporates 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 Rs. thousand ('Rupees' or 'Rs.') and are rounded to the nearest thousands, except per share data and unless stated otherwise.

These financial statements were adhere for issue in accordance with a resolution of the Board of Directors meeting held 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 that are measured at fair value or amortized cost
- Defined benefit plans – plan assets measured at fair value.
- Share-based payments (ESOP's).

b) Current - non-current classification

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.

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.

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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.

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.

d) Other income

Interest income from debt instruments is recognized 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 in India 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 realized or the deferred income tax liability is settled.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognized in profit or 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, respectively.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognized 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 recognized 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) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

h) 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.

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 and loss.

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iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised 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 recognised from initial recognition of the receivables.

i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

j) Trade receivables

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

k) Property, plant and equipment

All 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 recognized 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-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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
All other assets (including vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on pro-rata basis on the straight line method over the useful lifes of the assets. The depreciation charge for each period is recognised in the statement of profit and loss . The residual values is considered as nil.

The assets' 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).

l) 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.

Amortization methods and periods

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

Particular	**Useful life**
Internally generated (content / products)	3 years
Acquired (software)	3-5 years

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m) 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. For the purposes of impairment assessment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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.

n) 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 recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

o) 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.

p) 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 recognized 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.

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. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized 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 recognized 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 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 recognized 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's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Provident fund contributions are made to the Regional Provident Fund Commissioner in accordance with the Employee Provident Fund Rules and are accounted as defined contribution plans and charged to Statement of Profit and Loss.

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Superannuation fund

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 and additionally, 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.

q) Share based payments

Employee stock option plan (ESOP)

The fair value of options granted under the 'NIIT Employee Stock Option Plan 2005' is recognized as an employee benefits expense with a corresponding no increase in equity during the year/ previous year. The total amount to be expensed is determined by reference to the fair value of the options granted:
- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

r) Share capital

Equity shares capital

Issuance of ordinary shares are recognized 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.

s) Earning 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 on 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.

t) 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (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.

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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 (p).
- Measurement of useful life and residual values of property, plant and equipment and intangibles assets - refer note 2 (k) and 2 (l).
- Fair value measurement of financial instruments - refer note 2 (t)
- 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.

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 Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 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 Company does not have any impact on account of this amendment.

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 April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 19 – Employee Benefits (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 April 1, 2019. The Company does not have any impact on account of this amendment.

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Amendments to Ind AS 109 - Financial Instruments (Prepayment Features with Negative Compensation) - a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendments to Ind AS 23 - Borrowing Costs- The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, 'the Company does not have any impact on account of this amendment.

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CIN: U80903DL2006PLC149721
Notes to the financial statements for the year ended March 31, 2019

3 Property, Plant and equipment

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

Particulars	Plant and Machinary - Computers and peripherals	Vehicles	Total
Year end March 31, 2018			
Gross carrying amount			
Opening gross carrying amount	296	100	396
Additions	3	-	3
Disposals	26	-	26
Closing gross carrying amount	**273**	**100**	**373**
Accumulated depreciation			
Opening accumulated depreciation	133	100	233
Depreciation charge for the year	100	-	100
Disposals	26	-	26
Closing accumulated depreciation	**207**	**100**	**307**
Net carrying amount	**66**	**-**	**66**
Year end March 31, 2019			
Grossing carrying amount			
Opening gross carrying amount	273	100	373
Additions	60	-	60
Disposals	-	100	100
Closing gross carrying amount	**333**	**-**	**333**
Accumulated depreciation			
Opening accumulated depreciation	207	100	307
Depreciation charge for the year	55	-	55
Disposals	-	100	100
Closing accumulated depreciation	**262**	**-**	**262**
Net carrying amount	**71**	**-**	**71**

4 Other Intangible assets

Particulars	Educational Content / Product Internally Generated	Software Acquired	Total Intangibles other than assets under Development	Intangible Assets under Development	Total Intangibles including asset under Development
Year end March 31, 2018					
Gross carrying amount					
Opening gross carrying amount	751	1,099	1,850	-	**1,850**
Additions	-	-	-	-	-
Disposals	751	-	751	-	751
Closing gross carrying amount	-	**1,099**	**1,099**	-	**1,099**
Accumulated amortisation					
Opening accumulated depreciation	751	492	1,243	-	**1,243**
Amortisation	-	492	492	-	**492**
Disposals	751	-	751	-	**751**
Closing accumulated amortisation	-	**984**	**984**	-	**984**
Net carrying amount	-	**115**	**115**	-	**115**
Opening gross carrying amount	-	1,099	1,099	-	**1,099**
Additions	-	-	-	7,442	**7,442**
Closing gross carrying amount	-	**1,099**	**1,099**	**7,442**	**8,541**
Accumulated amortisation					
Opening accumulated depreciation	-	984	984	-	**984**
Amortisation	-	115	115	-	**115**
Closing accumulated amortisation	-	**1,099**	**1,099**	-	**1,099**
Net carrying amount	-	-	-	**7,442**	**7,442**

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5 Financial Assets	As at			
Particulars	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
5 (i) Other Financial Assets	Non Current		Current	
a) Security deposits receivable				
Unsecured, considered good	-	-	1,442	2,386
Unsecured - credit impaired	-	-	10	1,778
Less: Allowance for doubtful deposits	-	-	(10)	(1,778)
	-	-	1,442	2,386
b) Unbilled Revenue				
Unbilled Revenue	-	-	1,598	-
	-	-	1,598	-
c) Interest receivable	-	-	2,901	2,518
	-	-	2,901	2,518
d) Other receivables	-	-	476	-
	-	-	476	-
e) Long-term deposits with bank:				
With original maturity of more than 12 months	11,210	9,574	-	-
	11,210	9,574	-	-
f) Loans to related parties (Refer note 25)				
Unsecured, considered good	-	-	75,000	95,000
	-	-	75,000	95,000
	11,210	9,574	81,417	99,904

* Loan given to holding company, NIIT Limited, maximum outstanding balance during the financial year 2019 Rs. 75,000 thousands (Previous year Rs 95,000 thousands)

5 (ii) Investments	As at March 31, 2019	As at March 31, 2018
	Current	
Quoted		
Investment in Mutual Funds*	5,014	-
	5,014	-

*Investment in Mutual Funds are at fair value, which are as follows:

Investment in Mutual Funds - Quoted	March 31, 2019		March 31, 2018	
	Units	Value	Units	Value
HDFC Mutual Fund	1,363	5,014	-	-

5 (iii) Trade Receivables	As at March 31, 2019	As at March 31, 2018
(Refer note 25)	Current	
Unsecured, considered good*	30,632	16,336
Unsecured - credit impaired	4,059	11,040
Less: Allowance for doubtful debts (Expected Credit Loss)	(4,059)	(11,040)
	30,632	16,336

* Includes trade receivables from related parties of Rs. 5,096 thousand (Previous year Rs. 5,877 thousand)

5 (iv) Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Balance with banks		
Current accounts	3,427	7,454
Bank deposits with original maturity of 3 months or less	14,500	6,673
Cheques and drafts on hand	4,113	-
	22,040	14,127

5 (v) Bank balances other than above:		
Bank deposits		
With original maturity of more than 3 months and upto 12 months	-	750
	-	750

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6 Deferred Tax Assets (Net)

Particulars	March 31, 2019	March 31, 2018
	Non-current	
The balance comprises temporary differences attributable to:		
Provisions	1,132	3,532
Defined benefit obligations	698	644
Tax impact of difference between carrying amount of property, plant & equipments in the financial statements and as per the income tax calculation.	5,051	6,045
Other items		
MAT credit entitlement	1,967	3,115
Deferred tax asset (net)	**8,848**	**13,336**

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 asset	Property, plant and equipment	Defined benefit obligations	Provisions	Minimum Alternate Tax	Total
At April 1, 2017	7,186	430	2,385	3,834	**13,835**
(charged)/credited:					
to profit or loss	(1,141)	71	1,147	(719)	(642)
to OCI	-	143	-	-	143
At March 31, 2018	**6,045**	**644**	**3,532**	**3,115**	**13,336**
(charged)/credited:					
to profit or loss	(994)	165	(2,400)	(1,148)	(4,377)
to OCI	-	(111)	-	-	(111)
At March 31, 2019	**5,051**	**698**	**1,132**	**1,967**	**8,848**

6 (i) Income Tax Assets (Net)

	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non-current		Current	
Advance Income Tax	20,148	21,949	-	-
Less : Provision for Income Tax	(11,434)	(17,474)	-	-
	8,714	**4,475**	-	-

7 Other Assets

Particulars	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non-current		Current	
i) **Advances recoverable in cash or in kind**				
Unsecured, considered good	-	-	171	1,123
(A)	-	-	**171**	**1,123**
ii) **Other Advances**				
Other taxes recoverable	-	-	3,288	2,811
(B)	-	-	**3,288**	**2,811**
Total (A+B)	-	-	**3,459**	**3,934**

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8 Equity share capital

a) Authorised equity share capital

Particulars	Equity shares	
	Number	Amount
As at April 1, 2017 (Face value)	**11,000,000**	**110,000**
Issued during the year	-	-
At March 31, 2018 (Face value)	**11,000,000**	**110,000**
Issued during the year	-	-
At March 31, 2019 (Face value)	**11,000,000**	**110,000**

b) Movement in equity share capital

Particulars	Equity shares	
	Number	Amount
As at April 1, 2017 (Face value)	**10,112,500**	**101,125**
Issued during the year	-	-
At March 31, 2018 (Face value)	**10,112,500**	**101,125**
Issued during the year	-	-
At March 31, 2019 (Face value)	**10,112,500**	**101,125**

c) Detail of class of shares held by the Company	Name of the Company	Class of shares Equity/ Preference	March 31, 2019 No. of shares	March 31, 2018 No. of shares
Holding Company	NIIT Limited	Equity	8,162,500	8,162,500

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
NIIT Limited	8,162,500	80.72%	8,162,500	80.72%
ICICI Bank Limited	1,900,000	18.79%	1,900,000	18.79%
Total	**10,062,500**	**99.51%**	**10,062,500**	**99.51%**

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
Retained Earnings	55,014	29,949
	55,014	**29,949**

9.1 Details of Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Retained Earnings		
Balance at the beginning of the year	29,949	8,196
Profit for the year	24,778	22,130
Items of other comprehensive income/ (loss) recognized directly in retained earning		
Other comprehensive income/ (loss) (net of tax)	287	(377)
Total	**55,014**	**29,949**

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		As at	
10	**Financial Liabilities**	**March 31, 2019**	**March 31, 2018**
10 (i)	**Trade Payables**	**Current**	
	Total outstanding dues of creditors other than micro enterprises and small enterprises*	16,434	19,986
		16,434	**19,986**

Based on information available with the Company, there is no vendor covered under the Micro, Small and Medium Enterprises Development Act, 2006.

* Includes trade payables to related parties of Rs. 14,988 thousand (Previous year Rs. 11,793 thousand)

		As at	
10 (ii)	**Other Financial Liabilities**	**March 31, 2019**	**March 31, 2018**
		Current	
	Security deposits payable	-	775
	Other payables- Employees*	2,469	1,920
		2,469	**2,695**

* Includes other payables to Key Managerial Personnel of Rs. 696 thousand (Previous year Rs. 322 thousand)

		As at	
11	**Provisions**	**March 31, 2019**	**March 31, 2018**
		Current	
	Provision for employee benefits		
	Provision for gratuity (Refer note 15.1)	776	975
	Provision for compensated absences*	1,296	950
		2,072	**1,925**

* During the year expense charged on account of compensated absences Rs.349 thousand (Previous year Rs.164 thousand) and Benefits paid of Rs. 3 thousand (Previous year Rs. Nil).

		As at	
12	**Other Liabilities**	**March 31, 2019**	**March 31, 2018**
		Current	
	Advances from customers	-	5,403
	Statutory dues	1,733	1,534
		1,733	**6,937**

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13 Revenue From Operations

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Services	169,390	134,337
Royalty (Refer note 25)	21,934	18,149
	191,324	**152,486**

14 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest income	8,664	7,026
Profit from sale of current investment	98	1,766
Provision/ other liabilities written back	2,486	1,725
Gain on sale of property, plant & equipment (net)	263	-
Other non-operating income	695	393
	12,206	10,910

15 Employee Benefits Expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and Benefits	11,646	10,861
Contribution to provident and other funds (Refer note 15.1)	883	423
Employees Stock Option Expenses*	392	390
Welfare and Other expenses	39	67
	12,960	**11,741**

*Employees Stock Option Expense are paid to Holding Company

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

15.1 **Employee Benefits**

A) Defined contribution plans

Company makes contribution towards provident fund and pension scheme to the defined contribution plans for eligible employees
Company has charged the following costs in contribution to provident and other funds in the statement of profit and loss:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Employers' contribution to provident fund	307	251
Employers' contribution to superannuation fund	219	-
Employers' contribution to employees pension scheme	67	69
Employers' contribution to employee national pension system	87	-
Total	**680**	**320**

Contribution towards provident fund and pension scheme to the defined contribution plans includes following cost for key managerial personnel:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Employers' contribution to providend fund	192	179
Employers' contribution to employees pension scheme	30	30
Employers' contribution to employee national pension system	87	-
Total	**309**	**209**

I. Gratuity fund

Funded

Particulars	As at March 31, 2019	As at March 31, 2018
i) Change in present value of obligation:		
Present value of obligation as at beginning of the year	1,304	665
Interest cost	97	46
Current service cost	129	75
Benefits Paid	-3	-
Acquistions cost	112	-
Actuarial (gain)/ loss on obligations	-398	518
Present value of obligation as at the year end	**1,241**	**1,304**

Particulars	As at March 31, 2019	As at March 31, 2018
ii) Change in plan assets:		
Fair value of plan assets as at the beginning of the year	329	194
Contributions	3	119
Interest income	24	18
Benefits Paid	(3)	-
Acquistions cost	112	-
Actuarial (loss)/ gain on plan assets	-	(2)
Fair value of plan assets as at the end of the year	**465**	**329**

Actuary's estimates of contributions for the next financial year is Rs. 776 thousand (Previous year Rs. 975 thousand).

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	465	1,241	-776
As at March 31, 2018	329	1,304	-975

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Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
iv) Net gratuity cost recognised in statement of profit and loss:		
Current service cost	129	75
Interest cost	73	28
Expense recognised in statement of profit and loss*	**202**	**103**
Actual return on plan assets	**25**	**16**

*Includes Rs.135 thousand (previous year Rs.119 thousand) towards key managerial personnel.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
v) Assumptions used in accounting for gratuity plan:		
Discount rate (per annum)	7.25%	7.50%
Future salary increase	11.00% for FY 2019-20 and 8.00% thereafter	11.00% for first 2 years and 8.00% thereafter
Expected rate of return on plan assets	7.65%	8.25%

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 Company 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.

vii) Sensitivity analysis:

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

	Change in assumptions	Impact on defined benefit obligations	
		Increase in assumption	Decrease in assumption
	For the year ended March 31, 2019	For the year ended March 31, 2019	For the year ended March 31, 2019
Discount rate	0.50%	-59	63
Salary growth rate	0.50%	62	-59
Attrition rate	5.00%	-36	32

	Change in assumptions	Impact on defined benefit obligations	
		Increase in assumption	Decrease in assumption
	For the year ended March 31, 2018	For the year ended March 31, 2018	For the year ended March 31, 2018
Discount rate	0.50%	-65	69
Salary growth rate	0.50%	68	-65
Attrition rate	5.00%	-27	23

The above sensitivity analysis is based on a change in 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 recognized in the balance sheet.

viii) The major categories of plan assets are follows:	For the year ended March 31, 2019	For the year ended March 31, 2018
Insurance policy and cash	100%	100%

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ix) Risk exposure

Through its defined benefit plans, the Company 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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16	Other Expenses		Year ended March 31, 2019	Year ended March 31, 2018
	Equipment hiring		1	6
	Rent		307	430
	Rates and taxes		12	4
	Power & fuel		20	42
	Communication		23	71
	Legal and professional fees (Refer note 16 (i) below)		2,673	2,364
	Mangement cost recovery by Holding Company		7,101	5,639
	Travelling and conveyance		978	1,372
	Allowance for doubtful debts (Refer note 19)		952	-
	Bad debts written off (Refer note 19)	7,933	-	-
	Less:-Allowance for doubtful debts writen back	(7,933)		
	Allowance for doubtful advances and deposits		-	1,778
	Insurance		23	41
	Repairs and maintenance			
	Plant and Machinery		3	17
	Buildings		2	7
	Others		13	60
	Security and administration services		7	16
	Bank charges		183	52
	Marketing and advertising expenses		37	28
	Corporate social responsibilty expenditure (Refer note 16(ii))		1,019	408
	Misc. expenses		5	13
			13,359	**12,348**

16 (i)	Payment to auditors	Year ended March 31, 2019	Year ended March 31, 2018
	As auditor		
	-Audit fee	820	820
	-Certification Fee	50	-
	-Reimbursement of expenses (including taxes)	236	222
		1,106	**1,042**

16 (ii)	Corporate social responsibilty expenditure	Year ended March 31, 2019	Year ended March 31, 2018
	Contribution to NIIT Institute of Information Technology (Refer note 25)	1,019	408
		1,019	**408**
	Amount required to be spent as per Section 135 of the Act	1,019	408
	Amount spent during the year for promoting education activity	**1,019**	**408**

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17 Income Tax Expense

17 (i) Tax expense recognized in statement of profit and loss

	Year ended March 31, 2019	Year ended March 31, 2018
Current tax	6,406	7,364
Deferred tax	3,229	641
	9,635	**8,005**

17 (ii) Tax expense recognized in OCI

	Year ended March 31, 2019	Year ended March 31, 2018
Arising on reimbursement of net defined benefit liability	(111)	143
	(111)	**143**

(iii) Effective tax reconciliation

This note provides an analysis of the Company's income tax expense, show amounts that are recognized directly in in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Income tax expense		
Current tax		
Current tax on operating profits of the year	6,309	6,178
Adjustment for current tax of prior periods	97	1,186
Total current tax expense	**6,406**	**7,364**
Deferred tax		
Decrease (Increase) in deferred tax assets	2,081	(77)
Decrease /(increase) in minimum alternate tax credit	1,148	718
Total deferred tax expense/(benefit)	3,229	641
Income tax expense	**9,635**	**8,005**

(b) Reconciliation of tax expense and the accounting profit multiplied by Indian rax rate:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit from continuing operations before income tax expense	34,413	30,135
Tax at the Indian tax rate of (FY 2018-19 27.82%) (FY 2017-18 27.55%)	9,574	8,303
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenditure towards CSR to the extent disallowable	142	56
Deferred tax created on Temporary differences	-	(745)
Deferred tax adjustment due to change in tax rates	(178)	(77)
Adjustment for taxes relating to earlier years	97	1,186
MAT credit utilized during the year against tax liability	-	(718)
Total	**9,635**	**8,005**

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18 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs 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 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.

(ii) Valuation technique used to determine fair value

Valuation technique used to value financial instruments include use of market prices.

Financial instruments by category and hierarchy of measurement	As at March 31, 2019	As at March 31, 2018
	Carrying value	
	Amortized cost	
Financial assets		
Trade receivables	30,632	16,336
Loans	75,000	95,000
Cash and Bank Balances	22,040	14,877
Other Financial Assets	17,627	14,478
Total financial assets	**145,299**	**140,691**
Financial liabilities		
Trade payables	16,434	19,986
Security deposit payable	-	775
Other financial Liabilities	2,469	1,920
Total financial liabilities	**18,903**	**22,681**

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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19 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.

(i) 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.30,632 thousand and Rs.16,336 thousand as of March 31, 2019 and March 31, 2018 respectively.

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	**11,040**
Changes in loss allowance	-
Loss allowance on March 31, 2018	**11,040**
Changes during the year	
Changes in loss allowance*	(6,981)
Loss allowance on March 31, 2019	**4,059**

* During the year company has written off allowance for doubtful debt of Rs. 7,933 thousand and amounting to Rs. 952 thousand has been charged in the statement of profit and loss.

(ii) 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 as on March 31, 2019.

(i) Maturities of financial liabilities

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

Particulars	Less than 1 year	Total
As at March 31, 2019		
Trade payables	16,434	16,434
Other financial liabilities	2,469	2,469
	18,903	**18,903**
As at March 31, 2018		
Trade payables	19,986	19,986
Other financial liabilities	2,695	2,695
	22,681	**22,681**

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20 Contingent Liabilities

Claims against the Company not acknowledged as debts:	Year ended March 31, 2019	Year ended March 31, 2018
Particulars		
Service tax	32,352	38,709
Others*	470	630

*Towards student claims not acknowledged as debts.

Management does not foresee any cash outflow in respect of the above based on advise of legal counsel.

21 Earnings Per Share

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit attributable to equity shareholders (A)	24,778	22,130
Weighted average number of equity shares outstanding during the year (Nos.) – (B)	10,112,500	10,112,500
Nominal value of equity shares	10	10
Basic and diluted earnings per share (A/B)	2.45	2.19

As there are no dilutive securities at the year end, the basic and diluted earning per share are same.

22 Segment Information

The Company is engaged in imparting education and training services in the field of finance, banking and insurance sector which is viewed by the management as a single segment, i.e. learning solutions in accordance with 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'.

The Company operates in a single geography (India) and accordingly, secondary segment reporting is not applicable.

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

a. Disaggregated revenue information	March 31, 2019
Type of Services	
Sale of Services	169,390
Royalty (Refer note 25)	21,934
	191,324
(i) Timing of Revenue Recognition	
Services transferred over time	
Training Services	169,390
Transferred at a point in time	
Royalty (Refer note 25)	21,934
	191,324
b. Trade receivables and Contract Customers	
Trade Receivables	**30,632**
	30,632

Trade receivables are non-interest bearing and are generally on terms of 0- 30 days. As on date a sum of Rs. 4,059 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.

NIIT Institute of Finance Banking & Insurance Training Ltd. Gurgaon

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

24 Leases

Operating Leases:

The Company has entered into leases for office premises and vehicles which are cancellable at the option of the Company by giving requisite notice.

Aggregate payments during the year under operating leases are as shown hereunder:

	Year ended	
Particulars	**March 31, 2019**	**March 31, 2018**
In respect of premises	72	176
In respect of vehicles	235	254
	307	430

25 Related Party Transactions

A. Related party relationship where control exists

Holding Company - NIIT Limited

B. Fellow subsidiaries

1 Mindchampion Learning Systems Limited
2 NIIT Yuva Jyoti Limited
3 NIIT Institute of Process Excellence 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 Company has transacted

a. Key managerial personnel:

Ms. Porkodi Palani - Manager (Till May 31, 2018)
Mr. Manish Srivastav (w.e.f June 01, 2018)
Mr. Pankaj Mamtani - Chief Financial Officer

b. Others

1. NIIT University (a body corporate in which two Non-Executive Directors of the Company are members of its governing body).
2. NIIT Institute of Information Technology (a body corporate in which two Non-Executive Directors of the Company are members of its governing body).

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NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
Notes to the financial statements for the year ended March 31, 2019

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

D. Detail of significant transactions with related parties carried out in ordinary course of business.

Nature of Transactions*	Holding Company	Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Service received	122,026 (52,056)	- -	5,139 (56,930)	127,165 (108,986)
Royalty Income	21,934 (18,149)	- -	- -	21,934 (18,149)
Management Cost Recovery	7,101 (5,638)	- -	- -	7,101 (5,638)
Recovery of expenses by	1,263 (2,261)	- -	- -	1,263 (2,261)
Loan given	75,000 (95,000)	- -	- -	75,000 (95,000)
Loan received back	95,000 (40,000)	- -	- -	95,000 (40,000)
Interest on loan	8,146 (5,146)	- -	- -	8,146 (5,146)
Contribution towards CSR	- -	- -	1,019 (408)	1,019 (408)
Remuneration	- -	8,189 6,812	- -	8,189 6,812

* Excluding taxes
Figures in parenthesis represent previous year figures

E. Key management personnel compensation

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Short-term employee benefits	6,576	6,354
Post employment benefit expenses	1,163	329
Share based payment	450	129
Total of compensation	**8,189**	**6,812**

F. Details of outstanding balances with related parties

Particulars	As at March 31, 2019	As at March 31, 2018
Receivables		
NIIT Limited	5,096	4,985
NIIT University	-	892
Total	**5,096**	**5,877**
Payables		
NIIT Limited	14,988	11,277
NIIT University	-	516
Key Managerial Personnel*	696	322
Total	**15,684**	**12,115**

* Incuded in Other Financial Liabilities

26 The Company internally develops software tools, platforms and content/courseware. The management estimates that this would result in enhanced productivity and offer more technology based learning products/ solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the abovementioned assets. The costs incurred during the year towards the development are as follows:

Description	Year ended March 31, 2019	Year ended March 31, 2018
Opening Capital Work-in-Progress	-	-
Add:-Expenditure during the year		
Professional & Technical Outsourcing Expense	7,442	-
Closing Balance at the end of the year	7,442	-

Gurgaon

NIIT Institute of Finance Banking and Insurance Training Limited
CIN: U80903DL2006PLC149721
Notes to the financial statements for the year ended March 31, 2019

27 Previous years' figures have been regrouped / reclassified to conform to current year classification.

Signatures to Notes '1' to '27' of these Financial Statements.

For S.R. Batliboi & Associates LLP
Firm Registration No.: 101049W/E300004
Chartered Accountants

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: April 30, 2019

For and on behalf of the Board of Directors of
NIIT Institute of Finance Banking and Insurance Training Limited

P. Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Pankaj Mamtani
Chief Financial Officer

Arpita B. Malhotra
Company Secretary

Place: Gurugram
Date: April 30, 2019