

Incessant Technologies NA Inc. US
Balance Sheet as at 31st March 2020

	PARTICULARS	Notes	As at 31st March 2020 USD	As at 31st March 2019 USD
I	ASSETS			
1	Non-current assets			
	Fixed assets	2.1		
	Tangible assets		16,405	8,537
	Deferred Tax Assets		1,62,480	
2	Current assets			
	Cash and bank balances	2.2	4,59,855	2,85,064
	Short-term loans and advances	2.3	3,14,186	3,37,408
	Trade receivables	2.4	16,99,703	15,60,999
	Other current assets	2.5	2,01,860	20,070
	TOTAL		28,54,489	22,12,078
II	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital		-	-
	Share Application Money		-	-
	Reserves and surplus	2.6	8,00,743	12,47,388
2	Current liabilities			
	Trade Payables	2.7	15,40,928	6,25,817
	Other current liabilities	2.8	4,23,445	3,26,898
	Short-term provisions	2.9	89,373	11,975
	TOTAL		28,54,489	22,12,078

The accompanying notes referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants

For and on behalf of the Board of Directors of Incessant Technologies NA Inc

Amit Kumar Gupta
Partner
Membership No. 508656

Madan Mohan
Director

Sudhir Singh
Director

Place: New Delhi
Date:

Incessant Technologies NA Inc. US

Statement of Profit & Loss for the year ended 31st March 2020

PARTICULARS	Notes	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
INCOME			
I. Revenue from Operations	2.11	92,11,040	72,03,323
II. Other Income		-	-
III. Total Revenue (I + II)		92,11,040	72,03,323
EXPENDITURE			
IV. Employee Benefits Expense	2.12	53,43,918	41,21,844
Other Expenses	2.13	44,56,693	28,20,440
Finance Costs	2.15	5,753	6,395
Depreciation and Amortization Expenses	2.1	6,975	3,421
Total Expenses		98,13,339	69,52,100
Profit before exceptional and extraordinary items and tax		(6,02,299)	2,51,223
V. Exceptional Item		-	-
VI. Profit before tax (III- IV)		(6,02,299)	2,51,223
VII Tax expense:			
(1) Current tax		6,826	(15,776)
(2) Deferred tax		(1,62,480)	-
VIII Profit (Loss) for the period		(4,46,645)	2,66,999

The accompanying notes referred to above form an integral part of the Statement of Profit and Loss

This is the Profit and Loss Account referred to in our report of even date

For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants

For and on behalf of the Board of Directors of Incessant Technologies NA Inc

Amit Kumar Gupta
Partner
Membership No. 508656

Madan Mohan
Director

Sudhir Singh
Director

Place: New Delhi
Date:

Statement of Cash Flows	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit after income tax from	(4,46,645)	2,66,999
Continuing operations		
Discontinued operations		
Profit after income tax including discontinued operations	(4,46,645)	2,66,999
Adjustment for		
Depreciation and amortisation expenses	6,975	3,421
Loss on sale of Fixed Assets	-	-
Changes in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:	6,975	3,421
(Increase)/Decrease in trade receivables	(1,38,704)	(6,03,908)
Increase in trade payables	9,15,111	2,92,469
(Increase)/Decrease in other current assets	(3,21,048)	(87,672)
Increase in other current liabilities	1,73,945	(59,029)
Cash generated from operations	6,29,304	(4,58,140)
Income taxes paid		
Net cash inflow from operating activities	1,89,634	(1,87,720)
Cash flow from investing activities		
Payment for property, plant and equipment	(14,843)	(9,825)
Net cash outflow from investing activities	(14,843)	(9,825)
Cash flow from financing activities		
Net cash inflow (outflow) from financing activities	-	-
Net increase (decrease) in cash and cash equivalents	1,74,791	(1,97,545)
Cash and cash equivalents at the beginning of the financial year	2,85,064	4,82,609
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at the end of the financial year	4,59,855	2,85,064
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise the following		
Cash and cash equivalents	4,59,855	2,85,064
Bank overdrafts		
Balance as per statement of cash flows	4,59,855	2,85,064

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

For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants

Amit Kumar Gupta
Partner
Membership No. 508656

For and on behalf of the Board of
Directors of Incessant Technologies NA
Inc

Madan Mohan
Director

Sudhir Singh
Director

Place: New Delhi
Date:

Inessant Technologies NA Inc. US

2.1 Fixed Assets

(Amount in USD)

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	Cost As on 01.04.2019	Additions during the year	Sales / Adj. during the year	Total as on 31.03.2020	As on 01.04.2019	For the year	Sales / Adj. during the year	Total as on 31.03.2020	As on 31.03.2020	As on 31.03.2019
Tangible										
Plant & Equipment - Plant & Machinery	13,959	14,843	-	28,802	5,422	6,975	-	12,397	16,405	8,537
Total	13,959	14,843	-	28,802	5,422	6,975	-	12,397	16,405	8,537

Incessant Technologies NA Inc. US

2.2	Cash and Bank Balances	Current	
		As at 31st March 2020 USD	As at 31st March 2019 USD
	Cash and cash equivalents:		
	Balance with banks	4,59,855	2,85,064
	Current Accounts		
		4,59,855	2,85,064
		4,59,855	2,85,064

Incessant Technologies NA Inc. US

2.3	Loans and Advances	Short Term	
		As at 31st March 2020 USD	As at 31st March 2019 USD
	Security Deposits Receivable		
	Unsecured, considered good	519	1,319
	Unsecured, considered doubtful		
	Less: Provision for doubtful security deposits		
	(A)	519	1,319
	Advances recoverable in cash or in kind		
	Unsecured, considered good	90,235	1,79,389
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful advances	-	-
	(B)	90,235	1,79,389
	Advance Tax	2,23,432	1,56,700
	Less : Provision for Tax		
		2,23,432	1,56,700
	(C)	2,23,432	1,56,700
	Total (A+B+C)	3,14,186	3,37,408

Incessant Technologies NA Inc. US

2.4	Trade Receivables	Current	
		As at 31st March 2020	As at 31st March 2019
		USD	USD
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, considered good		-
	Unsecured, considered doubtful	64,440	-
	Less: Provision for doubtful debts	(64,440)	-
		-	-
	Other Trade Receivables		
	Unsecured, considered good	16,99,703	15,60,999
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
		16,99,703	15,60,999
		16,99,703	15,60,999

2.5	OTHER ASSETS	Current	
		As at 31st March 2020	As at 31st March 2019
		USD	USD
	Unbilled revenue	2,01,860	20,070
		2,01,860	20,070

Incessant Technologies NA Inc. US

2.6	Reserves and Surplus	As at 31st March 2020 USD	As at 31st March 2019 USD
	Profit & Loss Account		
	Balance Brought Forward from Previous year	12,47,388	9,80,389
	Add : Current Year Profit / (Loss) attributable to Share Holders	(4,46,645)	2,66,999
		<u>8,00,743</u>	<u>12,47,388</u>

Incessant Technologies NA Inc. US

2.7	Trade Payables	Current	
		As at 31st March 2020 USD	As at 31st March 2019 USD
	- Due to Others	15,40,928	6,25,817
		15,40,928	6,25,817

2.8	Other Liabilities	Current Liabilities	
		As at 31st March 2020 USD	As at 31st March 2019 USD
	Other Payables	2,48,419	1,58,698
	Provision for Tax	1,75,026	1,68,200
		4,23,445	3,26,898

2.9	Provisions	Short Term	
		As at 31st March 2020 USD	As at 31st March 2019 USD
	Provision for employee benefits :		
	Provision for Gratuity	-	-
	Provision for Compensated Absences	89,373	11,975
	Others :		
	Proposed dividend	-	-
	Provision for Corporate Dividend Tax	-	-
		89,373	11,975

2.10 Contingent Liabilities

There is no Contingent Liabilities

Incessant Technologies NA Inc. US

2.11	Revenue from Operations	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
	Sale of Services	92,11,040	72,03,323
		<u>92,11,040</u>	<u>72,03,323</u>

Incessant Technologies NA Inc. US

2.12	Employee Benefits Expenses	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
	Salary Wages & Bonus	53,01,845	40,35,150
	Contribution to Provident and Other Funds	-	45,216
	Staff Welfare expenses	42,073	41,479
		<u>53,43,918</u>	<u>41,21,845</u>

Incessant Technologies NA Inc. US

2.13 Other Expenses	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
Rent (net of recoveries)	20,004	5,455
Communication	10,482	5,196
Legal and Professional	1,44,201	1,43,197
Traveling and Conveyance	4,28,767	3,02,935
Recruitment expenses	55,605	-
Insurance	18,156	8,731
Professional Expenses	33,64,489	21,07,135
Other Marketing Expenses	91,917	70,159
Bad Debts	64,440	-
Loss on foreign currency translation and transaction	3,453	2,991
Sales Commission	1,53,977	1,13,025
Sundry Expenses	1,01,202	61,617
	<u>44,56,693</u>	<u>28,20,441</u>

2.14 Payment to Auditors	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
Audit fee	6,500	8,422
	<u>6,500</u>	<u>8,422</u>

2.15 Finance costs	Year ended 31st March 2020 USD	Year ended 31st March 2019 USD
Bank & Financial Charges	5,753	6,395
	<u>5,753</u>	<u>6,395</u>

For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants

Madan Mohan
Director

Sudhir Singh
Director

Amit Kumar Gupta
Partner
Membership No. 508656

Place: New Delhi
Date:

Incessant Technologies NA Inc., USA

Notes to Accounts for the year ended 31st March 2020

1. Statement on Significant Accounting Policies

The Financials Statements are prepared to comply in all material aspects with the applicable accounting principles in India , the applicable accounting standards notified under section 133 of the Companies Act 2013 and the relevant provision of the Companies Act 2013.

i. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financials statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

ii. Property Plant and Equipment

Property Plant and Equipment are stated at acquisition cost.

Depreciation is charged on a pro-rata basis on the straight-line method over the estimated useful lives of the assets determined as follows:-

Plant and Machinery	3-6 years
All other assets	Rates prescribed under schedule II to the Companies Act, 2013

iii. Revenue Recognition

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured. Contracts can be primarily categorized as time and material or fixed price contracts.

Time and material contracts

Revenue with respect to time-and-material contracts is recognized as the related services are performed.

Fixed Price contracts

Revenue related to fixed price contracts is recognized in accordance with the proportionate completion method (PCM). The input (efforts expended) method is used to measure progress towards completion, as there is a direct relationship between input and productivity. Costs are recorded as incurred over the contract period. Any revision in cost to complete would result in increase or decrease in revenue and income and such changes are recorded in the period in which they are identified. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. Contract losses are determined to be the amount by which the estimated total cost to complete exceeds the estimated total revenues that will be generated by the contract and are included in Cost of service and classified in Provisions.

For services accounted for under the PCM method, cost and earnings in excess of billing are classified as unbilled revenue, while billing in excess of cost and earnings are classified as deferred revenue.

iv. Foreign Currency Transactions

Functional Currency

The functional currency of the company is US dollars, being the currency in which the company transacts its sales and purchases.

Transaction and Balances

Transactions in currencies other than US dollars are recorded at the exchange rates prevailing on the date of the transaction. At each balance sheet date, recorded monetary balances that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange Differences

All the exchange differences are included in the profit and loss statement for the year.

v. Leases

Lease where the lessor effectively retains substantially all the risk and reward of ownership of leased items are classified as operation lease. Operating lease payments are recognized as expenses in the profit and loss statement on a straight- line basis over the lease term.

vi. Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

vii. Income Tax

The current tax expense is the tax payable on the current year's taxable income based on the provisions applicable under US Taxation Laws.

2.16) Other Notes

I Related Party Disclosure

Related Parties of the Company where control exists:

A. Holding Company

Sr. No.	Name of Company	Remarks
1.	NIIT Technologies Limited	Ultimate Parent Company
2.	Incessant Technologies Pvt.Ltd	Holding Company

B. Associates

Sr. No.	Name of Company	Remarks
1	Incessant Technologies (AUS) Pty Ltd	Associates
2	Incessant Technologies (UK) Ltd	Associates
3	Incessant Technologies Pvt. Ltd.	Associates
4	Incessant Technologies (CA) Inc.	Associates
5	Incessant Technologies (Ireland) Limited	Associates
6	Ruletek Inc	Subsidiary
7	NIIT Technologies Inc (USA)	Associate

C. Key Managerial Personnel

Sr No.	Name	Remarks
1.	Mr. Sudhir Singh	Director
2.	Mr. Madan Mohan	Director

D. Relatives of Key Managerial Personnel

Sr. No.	Name	Remarks
	-----NA----- ---	

E. List of other Companies in which key Managerial Personnel are interested

S No	Name of Companies/Firms	Remarks
	-----NA----- -	

Details of transaction and balances with related parties (USD)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Key managerial Personnel
Receiving of Services :			
Incessant Technologies Pvt Ltd, India	2,435,030	----	----
NIIT Technologies Inc USA	----	38,146	----
NIIT Technologies Limited, India	40,857	----	----
Incessant Technologies Limited UK		2,000	----
Incessant Technologies Pty Ltd Australia		----	
Ruletek inc USA	----	583,951	----
Recovery of Expenses from Company			
Ruletek Inc	----	249,516	----
NIIT Technologies Inc, USA	----	31,094	----
Incessant Technologies Pvt Ltd, India	----	----	----
Incessant Technologies Pty Ltd Australia	----	67,280	----
Incessant Technologies Limited UK	----	85,430	----
Rendering of services			
NIIT Technologies Inc USA	----	2,996,748	----
Ruletek Inc	----	713,614	----
Outstanding Balances with related parties:			
Nature of Transaction	Holding Company	Associate Companies	Key managerial Personnel
Payable :			
Incessant Technologies Pvt. Ltd	1,188,559	----	----
NIIT Technologies Inc, USA	----	32,530	----
NIIT Technologies Limited India	14,460	----	----
Ruletek Inc USA	----	27,540	----
Incessant Technologies Limited UK	----	2,000	----
Receivable :			
NIIT Technologies Inc, USA	----	691,098	----
Incessant Technologies Limited UK	----	30,207	----
Incessant Technologies Pty Ltd Australia	----	24,888	----
Ruletek Inc USA	----	137,431	----

II) Disclosure of Leases as per

a) Operating Leases:

Total of future Minimum Lease Payments under non-cancelable leases in case of premises and equipments:

Particulars	In respect of Premises Amount in USD 31.03.2020
Amount payable within the next 1 year	NIL
Amount payable within the next 2 to 5 years	NIL
Amount payable beyond 5 years	NIL
Aggregate payments during the year under operating leases amount to USD 20,004 (Previous Year USD 5,445)	

b) Finance Leases:

The company has not entered into any Finance Leases.

III) Current Tax

The Company pays taxes based on the Income tax regulations as applicable in USA

IV) Leave encashment

-NA-

For Ghosh Khanna & Co.
Chartered Accountants

Amit Kumar Gupta
Partner
M. No. 508656

Madan Mohan
Director

Sudhir Singh
Director

Place:
Dated: