NIIT Technologies Pty Ltd

ABN 63 071 222 074

Annual Report - 31 March 2020

NIIT Technologies Pty Ltd
Director's report
31 March 2020

The sole director presents his report, together with the financial statements, on the company for the year ended 31 March 2020.

Director
The following persons were the directors of the company during the whole of the financial year and up to the date of this report:

Glenn Thomas Merchant

Principal activities
During the financial year the principal continuing activities of the company consisted of:

- Services in the area of Custom Software Development and Maintenance, Legacy Maintenance and Modernization, Enterprise Integration, Geographical Information Systems and Business Process Outsourcing and is focused on Transport, Banking, Finance and Insurance and Retail & Manufacturing verticals.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the company after providing for income tax amounted to $387,707 (31 March 2019: profit of $935,069).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 March 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the sole director believes it would be likely to result in unreasonable prejudice to the company.

Environmental regulation
The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Shares under option
There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 31 March 2020 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

NIIT Technologies Pty Ltd
Director's report
31 March 2020

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's report.

This report is made in accordance with a resolution of the sole director, pursuant to section 298(2)(a) of the Corporations Act 2001.

Glenn Merchant

Glenn Merchant
Sole Director

21 May 2020
SYDNEY

CountPlus One
Relationships for Success

Registered Company Auditor No. 339306

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Parramatta, NSW 2124

NIIT Technologies Pty Ltd
Auditor's independence declaration

In accordance with section 307C of the *Corporations Act 2001*, as auditor for the audit of NIIT Technologies Pty Ltd for the financial year ended 31 March 2020, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

CountPlus One Audit Pty Ltd

CountPlus One Audit Pty Limited
Registered Company Auditor Number: 339306

Ian George
Director

Level 4, 65 Walker Street
NORTH SYDNEY NSW 2060

Dated 21 May 2020

General information

The financial statements cover NIIT Technologies Pty Ltd as an individual entity. The financial statements are presented in Australian dollars, which is NIIT Technologies Pty Ltd's functional and presentation currency.

NIIT Technologies Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
MITCHELL & PARTNERS, Suite 3, Level 2, 66 Clarence Street, SYDNEY NSW 2000	MITCHELL & PARTNERS, Suite 3, Level 2, 66 Clarence Street, SYDNEY NSW 2000

A description of the nature of the company's operations and its principal activities are included in the director's report, which is not part of the financial statements.

The immediate parent entity is NIIT Technologies Pte Limited incorporated in Singapore. The ultimate parent entity in NIIT Technologies Limited which is incorporated in India.

The financial statements were authorised for issue, in accordance with a resolution of the sole director, on 21 May 2020. The sole director has the power to amend and reissue the financial statements.

NIIT Technologies Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2020

	Note	2020 $	2019 $
Revenue	3	13,273,270	11,769,718
Interest revenue calculated using the effective interest method		153,397	34,962
Expenses			
Production, development and execution	4	(5,778,266)	(5,086,399)
Provision for Doubtful Debts & Unbilled Revenue	5	(1,865,158)	-
Depreciation expense		(3,243)	(3,605)
Employee benefits expenses		(5,428,309)	(4,992,595)
Purchase of Stock in Trade		(160,773)	-
Occupancy expenses		-	(33,501)
Other expenses		(576,559)	(751,153)
Finance costs		(2,066)	(2,358)
Profit/(loss) before income tax expense		(387,707)	935,069
Income tax expense	6	-	-
Profit/(loss) after income tax expense for the year attributable to the owners of NIIT Technologies Pty Ltd	16	(387,707)	935,069
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of NIIT Technologies Pty Ltd		(387,707)	935,069

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NIIT Technologies Pty Ltd
Statement of financial position
As at 31 March 2020

	Note	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	7	5,418,190	5,524,930
Trade and other receivables	8	164,347	1,630,040
Other	9	2,309,843	1,011,981
Total current assets		7,892,380	8,166,951
Non-current assets			
Property, plant and equipment	10	4,693	5,346
Deferred tax	11	638,928	638,928
Total non-current assets		643,621	644,274
Total assets		8,536,001	8,811,225
Liabilities			
Current liabilities			
Trade and other payables	12	1,839,952	1,746,007
Provisions	13	403,656	385,118
Total current liabilities		2,243,608	2,131,125
Non-current liabilities			
Deferred tax	14	42,539	42,539
Total non-current liabilities		42,539	42,539
Total liabilities		2,286,147	2,173,664
Net assets		6,249,854	6,637,561
Equity			
Issued capital	15	16,301,002	16,301,002
Accumulated losses	16	(10,051,148)	(9,663,441)
Total equity		6,249,854	6,637,561

The above statement of financial position should be read in conjunction with the accompanying notes

NIIT Technologies Pty Ltd
Statement of changes in equity
For the year ended 31 March 2020

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 April 2018	16,301,002	-	(10,598,510)	5,702,492
Profit after income tax expense for the year	-	-	935,069	935,069
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	935,069	935,069
Balance at 31 March 2019	16,301,002	-	(9,663,441)	6,637,561

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 April 2019	16,301,002	-	(9,663,441)	6,637,561
Loss after income tax expense for the year	-	-	(387,707)	(387,707)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(387,707)	(387,707)
Balance at 31 March 2020	16,301,002	-	(10,051,148)	6,249,854

The above statement of changes in equity should be read in conjunction with the accompanying notes

NIIT Technologies Pty Ltd
Statement of cash flows
For the year ended 31 March 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		17,332,031	12,521,768
Payments to suppliers and employees (inclusive of GST)		(15,492,762)	(9,501,015)
		1,839,269	3,020,753
Interest received		153,397	34,962
Other Revenue		5,250	(5,458)
Interest and other finance costs paid		(2,066)	(2,358)
Net cash from operating activities	21	1,995,850	3,047,899
Cash flows from investing activities			
Payments for property, plant and equipment	10	(2,590)	(5,367)
Loans from/(to) related and other parties		(2,100,000)	-
Proceeds from release of security deposits		-	6,436
Net cash from/(used in) investing activities		(2,102,590)	1,069
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(106,740)	3,048,968
Cash and cash equivalents at the beginning of the financial year		5,524,930	2,475,962
Cash and cash equivalents at the end of the financial year	7	5,418,190	5,524,930

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services
Rendering of services revenue from software, customisation, installation and maintenance fees is recognised by reference to the stage of completion of the contracts.

Sales discounts
Sales discounts to secure contracts are capitalised and amortised against revenue on a straight line basis over the period of the contract.

The carrying value of the capitalised sales discount is reviewed at the reporting date, with the carrying amount of the asset relating to the extent that their is no longer convincing evidence to the effect that with reasonable certainty the company will receive future economic benefits.

Note 1. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

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

Trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 1. Significant accounting policies (continued)

Customer acquisition costs
Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

Customer fulfilment costs
Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

Right of return assets
Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Plant and machinery	
- Computers and peripherals	2-5 years
- Office Equipment	5 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 1. Significant accounting policies (continued)

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 March 2020. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Capitalised sales discount
The provision for impairment of the capitalised sales discount requires a degree of estimate and judgement.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations
As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the company taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 3. Revenue

	2020 $	2019 $
Sales revenue		
Sales from operations	13,268,020	11,775,176
Other revenue		
Gain (loss) on exchange fluctuations	-	(5,958)
Other revenue	5,250	500
	5,250	(5,458)
Revenue	13,273,270	11,769,718

Note 4. Production, development and execution

	2020 $	2019 $
Professional service expenses for production	5,778,266	5,086,399

Note 5. Provision for Doubtful Debts & Unbilled Revenue

	2020 $	2019 $
Provision for Doubtful Debts & Unbilled Revenue	1,865,158	-

In regard to the current economy slow down due to COVID-19, as on 21 April 2020, Virgin Australian Holding Limited (hereafter referred as "Virgin Australia") entered into voluntary administration. The group's Board of Directors have appointed Deloitte as voluntary administrator of the company and a number of its subsidiaries.

Virgin Australia and its subsidiary is the largest customer for NIIT Technologies Pty Limited, and at balance date NIIT Technologies Pty Limited has material trade receivables and accrued revenue that management is unable to determine the recoverability at the time of this report.

Trade receivables as on 31 March 2020 in respect to Virgin Australia and Tiger Airways Australia Pty Limited (subsidiary of Virgin Australia) are $ 0.97 mil and $ 0.19 mil respectively. Out of $.97 pertaining to Virgin Australia, $0.01 mil was received as on 15 April 2020. In addition to the trade receivables, the company had also recognised accrued revenue of $ 0.55 mil and $ 0.15 mil for Virgin Australian and Tiger Airways respectively.

In light of the uncertainty for the recovery of trade receivable and accrued revenue, a Provision for Doubtful Debts have been recognised amounting to $1.86mil with respect to the Virgin Australia and Tiger Airways debts.

Note 6. Income tax expense

	2020 $	2019 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(loss) before income tax expense	(387,707)	935,069
Tax at the statutory tax rate of 30%	(116,312)	280,521
Prior year tax losses recouped	116,312	(280,521)
Income tax expense	-	-

Note 7. Current assets - cash and cash equivalents

	2020 $	2019 $
Cash at bank	2,843,721	1,495,903
Deposits with maturity more than 3 months but less than 12 months	-	4,029,027
Deposits with maturity less than 3 months	2,574,469	-
	5,418,190	5,524,930

Note 8. Current assets - trade and other receivables

	2020 $	2019 $
Trade receivables	1,322,480	1,630,040
Less: Provision for Doubtful Debts	(1,158,133)	-
	164,347	1,630,040

Note 9. Current assets - other

	2020 $	2019 $
Accrued revenue	-	599,549
Prepayments	19,159	331,234
Term Deposits	61,354	60,543
Advances - Salary	1,500	15,649
Loans to Affiliates	2,100,000	-
Others	21,593	-
Interest Accrued	106,237	5,006
	2,309,843	1,011,981

Note 10. Non-current assets - property, plant and equipment

	2020 $	2019 $
Plant and equipment - at cost	16,380	13,790
Less: Accumulated depreciation	(11,687)	(8,444)
	4,693	5,346

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant & Equipment $	Total $
Balance at 1 April 2018	3,584	3,584
Additions	5,367	5,367
Depreciation expense	(3,605)	(3,605)
Balance at 31 March 2019	5,346	5,346
Additions	2,590	2,590
Depreciation expense	(3,243)	(3,243)
Balance at 31 March 2020	4,693	4,693

NIIT Technologies Pty Ltd
Notes to the financial statements
31 March 2020

Note 11. Non-current assets - deferred tax

	2020 $	2019 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	600,739	600,739
Employee benefits	152,579	152,579
Others	(114,390)	(114,390)
Deferred tax asset	638,928	638,928
Movements:		
Opening balance	638,928	638,928
Closing balance	638,928	638,928

Note 12. Current liabilities - trade and other payables

	2020 $	2019 $
Trade Payables	210,642	191,100
Trade Payables - Related Parties	958,919	806,992
Accrued expenses	377,416	443,135
BAS payable	292,975	304,780
	1,839,952	1,746,007

Refer to note 18 for further information on financial instruments.

Note 13. Current liabilities - provisions

	2020 $	2019 $
Employee benefits	403,656	385,118

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2020	$
Carrying amount at the start of the year	385,118
Additional provisions recognised	216,238
Payments	(197,700)
Carrying amount at the end of the year	403,656

Note 14. Non-current liabilities - deferred tax

	2020 $	2019 $
Deferred tax liability	42,539	42,539

Note 15. Equity - issued capital

	2020 Shares	2019 Shares	2020 $	2019 $
Ordinary shares - fully paid	16,301,002	16,301,002	16,301,002	16,301,002

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged.

Note 16. Equity - accumulated losses

	2020 $	2019 $
Accumulated losses at the beginning of the financial year	(9,663,441)	(10,598,510)
Profit/(loss) after income tax expense for the year	(387,707)	935,069
Accumulated losses at the end of the financial year	(10,051,148)	(9,663,441)

Note 17. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 18. Financial instruments

Financial risk management objectives
The company's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not use derivative financial instruments and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits. Finance reports to the Board on an adhoc basis.

Price risk
The company is not exposed to any significant price risk.

Note 18. Financial instruments (continued)

Interest rate risk
The company's main interest rate risk arises from short-term borrowings. Borrowings obtained at variable rates expose the company to interest rate risk. The policy is to repay all borrowings to reduce any interest charges.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information and confirming references. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

The company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the company based on recent sales experience, historical collection rates and forward-looking information that is available.

The company has a credit risk exposure with a major customer (Virgin Australia), which as at 31 March 2020 owed the company $982,298 (82.62% of trade receivables). However, as Virgin Australia has entered into administration, we have recognised the Provision for Doubt Debts amounting to $ 971,903. The balance amounting to $ 10,395 was received as on 15 April 2020.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 19. Related party transactions

Parent entity
The immediate parent entity is NIIT Technologies Pte Limited. incorporated in Singapore. The ultimate parent entity in NIIT Technologies Limited. which is incorporated in India.

Transactions with related parties
The following transactions occurred with related parties:

	2020	**2019**
	$	**$**
Other income:		
Other income from other related party	225,610	6,032
Payment for goods and services:		
Production costs from other related party	5,584,954	4,889,015
Payment for other expenses:		
Other expenses paid to other related party	113,413	132,336

Note 19. Related party transactions (continued)

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2020 $	2019 $
Current payables:		
Trade payables to controlling entity	958,919	806,992

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2020 $	2019 $
Current receivables:		
Loan to associate	2,100,000	-

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 20. Events after the reporting period

No matter or circumstance has arisen since 31 March 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 21. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	2020 $	2019 $
Profit/(loss) after income tax expense for the year	(387,707)	935,069
Adjustments for:		
Depreciation and amortisation	3,243	3,605
Change in operating assets and liabilities:		
Decrease in trade and other receivables	3,565,693	720,943
Decrease in accrued revenue	599,549	25,649
Decrease/(increase) in prepayments	312,075	(257,450)
Decrease/(increase) in other operating assets	(2,209,486)	1,289,206
Increase in trade and other payables	93,945	489,910
Increase/(decrease) in employee benefits	18,538	(159,033)
Net cash from operating activities	1,995,850	3,047,899

NIIT Technologies Pty Ltd
Director's declaration
31 March 2020

In the sole director's opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 March 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the sole director made pursuant to section 295(5)(a) of the Corporations Act 2001.

Glenn Merchant

Glenn Merchant
Sole Director

21 May 2020
SYDNEY

CountPlus One
Relationships for Success

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NIIT Technologies Pty Ltd
Independent auditor's report to the members of NIIT Technologies Pty Ltd

Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report of NIIT Technologies Pty Ltd which comprises the statements of financial position as at 31 March 2020, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company at the year's end.

Opinion
In our opinion the financial report of NIIT Technologies Pty Ltd is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the company's financial position as at 31 March 2020 and of their performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and International Financial Reporting Standards, to the extent described in Note 1, and the *Corporations Act 2001*.

Basis for opinion
We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (the 'code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information
The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 March 2020, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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.

Directors' responsibility for the financial report
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and International Financial Reporting Standards, to the extent described in Note 1, and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

CountPlus One Audit Pty Ltd

CountPlus One Audit Pty Limited
Registered Company Auditor Number 339306

Ian George

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Ian George
Director

Level 4, 65 Walker Street
NORTH SYDNEY NSW 2060

Dated: 21 May 2020