

KHANDELWAL JAIN & CO.

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CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of NSEIT (US) INC

Report on the Special Purpose Financial Statements

1. We have audited the accompanying special purpose financial statements ("special purpose financial statements") of NSEIT US INC ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information. The accompanying special purpose financial statements have been prepared by the management in accordance with the generally accepted accounting principles applicable in India, including Indian Accounting Standards, solely to enable its ultimate holding company, National Stock Exchange of India Limited ("NSEIL") to prepare its consolidated financial statements.

Management's Responsibility for the Special Purpose Financial Statements

2. The Management is responsible for the preparation of these special purpose financial statements to give a true and fair view of the state of affairs (financial position), profit or loss (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 specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.
4. We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of NSEIT (US) INC
Report on the Standalone Ind AS Financial Statements
Page 2 of 2

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the special purpose financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the special purpose financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements of the Company for the year ended March 31, 2019 are prepared in all material respects, in accordance with the accounting principles generally accepted in India, to enable its ultimate holding company, NSEIL to prepare its consolidated financial statements.

Restriction on distribution and use

8. This report is addressed to the Board of Directors and provided in connection with the audit of the consolidated financial statements of NSEIL, the ultimate holding company for the year ended March 31, 2019. These special purpose financial statements are prepared solely to enable its ultimate holding company, NSEIL to prepare its consolidated financial statements. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Our opinion is not modified in respect of this matter.

For Khandelwal Jain & Co.
Chartered Accountants

Firm Registration Number: 105049W



Narendra Jain
Partner

Membership Number: 048725



Place: Mumbai
Date: April 24, 2019

NARENDRA JAIN & CO. PVT. LTD.
(Formerly known as NSE.IT (US) INC)
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Notes	(Amt in USD)		(\$ in Lakhs)	
		As at 31.03.2019 (Audited)	As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)	As at 31.03.2018 (Audited)
ASSETS					
1	Non-current assets				
a	Property, Plant and Equipment	2	-	-	-
b	Financial Assets				
i	Other Financial assets				
	- Security Deposit	3	98	0.07	98
	Total Non-current assets		98	0.07	0.06
2	Current assets				
a	Financial Assets				
i	Trade receivable	5	36,686	25.37	33,896
ii	Unbilled Receivable	6	-	-	21,312
iii	Cash and Cash equivalents	7	7,08,389	488.61	6,93,507
iv	Other Financial assets	3	7,61,900	527.01	-
b	Other assets	4	508	0.35	320
	Total Current assets		15,05,483	1,041.34	7,49,035
	TOTAL ASSETS		15,05,581	1,041.41	7,49,133
EQUITY AND LIABILITIES					
(A)	EQUITY				
a	Equity Share capital	8	10,00,000	533.69	10,00,000
b	Other Equity	9	(17,77,862)	(1,071.74)	(6,78,027)
	Total Equity		(7,77,862)	(538.05)	1,21,973
(B)	LIABILITIES				
1	Non-current liabilities				
a	Financial Liabilities				
i	Borrowings	11	20,00,000	1,383.40	-
	Total Non-current liabilities		20,00,000	1,383.40	-
2	Current liabilities				
a	Financial Liabilities				
i	Trade Payables	10	2,32,635	160.91	6,09,562
ii	Other financial liabilities	11	46,564	32.21	5,598
b	Income Tax Liabilities (net)	13	2,400	1.66	12,000
c	Other liabilities	14	1,844	1.28	-
	Total Current liabilities		2,83,443	196.06	6,27,160
	TOTAL EQUITY AND LIABILITIES		15,05,581	1,041.41	7,49,133

Summary of significant accounting policies 1
Notes refer to above form an integral part of Balance Sheet
This is the Balance Sheet referred to in our report of even date

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Narendra Jain
NARENDRA JAIN
Partner
Membership No. 048725
Place : Mumbai
Date : April 24, 2019



For and on behalf of Board of Directors
N. Muralidaran
N. MURALIDARAN
Director



NSEIT (US) INC.
(Formerly known as NSE.IT (US) INC)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Notes	(Amt in USD)		(₹ in Lakhs)	
		For the year ended 31.03.2019	For the year ended 31.03.2019	For the year ended 31.03.2018	For the year ended 31.03.2018
Income					
Revenue from operations	15	2,59,871	180.93	3,41,457	219.05
Other income	16	312	0.21	3,81,962	248.42
Total Income		2,60,183	181.14	7,23,419	467.47
Expenses					
Employee benefits expense	17	-	-	31,180	19.96
Technical & Sub Contract Charges	19(i)	2,07,897	144.75	2,73,166	175.24
Finance Cost	18	20,881	14.62	1,226	0.79
Depreciation and amortisation expense	2	-	-	91	0.06
Other expenses	19(ii)	74,834	52.61	3,19,972	207.89
Total Expenses		3,03,612	211.98	6,25,635	403.94
Profit before exceptional items and tax		(43,429)	(30.84)	97,784	63.53
Exceptional item	27	8,63,100	636.30	-	-
Profit before tax		(9,06,529)	(667.14)	97,784	63.53
Less: Income Tax expense					
- Current tax	12	4,000	2.71	12,000	7.69
- Short / (Excess) for earlier years	12	(10,694)	(7.40)	(9,146)	(5.86)
Total tax expenses		(6,694)	(4.69)	2,854	1.83
Profit after tax (A)		(8,99,835)	(662.45)	94,930	61.70
Other Comprehensive Income (OCI)					
Items that will not be reclassified to profit or loss					
- Foreign Currency Translation Reserve		-	45.08	-	0.05
- Remeasurements of post-employment benefit obligations		-	-	-	-
Income tax relating to items that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations		-	-	-	-
Total Other Comprehensive Income, net of tax (B)		-	45.08	-	0.05
Total Comprehensive Income (A+B)		(8,99,835)	(617.37)	94,930	61.75
Earnings per equity share (FV USD 1 each)					
- Basic	20	(0.90)	(66.25)	0.09	6.17
- Diluted	20	(0.90)	(66.25)	0.09	6.17
Summary of significant accounting policies	1				

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Narendra Jain

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 24, 2019



For and on behalf of Board of Directors

N. Muralidaran
N. MURALIDARAN
Director



NSEIT (US) INC.
(Formerly known as NSE.IT (US) INC)
STATEMENT OF CHANGES IN EQUITY MARCH 31, 2019

(A) Equity Share Capital

Amount in USD		
Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

₹ in Lakhs		
Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69

(B) Other Equity

Particulars	Amount in USD	₹ in Lakhs	Amount in USD	₹ in Lakhs	Amount in USD	₹ in Lakhs	Amount in USD	₹ in Lakhs
	General reserve	General reserve	Retained Earnings	Retained Earnings	Foreign Currency Translation Reserve	Foreign Currency Translation Reserve	Total	Total
Balance at the beginning of the reporting period	-	-	(8,78,027)	(467.17)	-	12.80	(8,78,027)	(454.37)
Amount transferred from the surplus balance in the statement of profit & loss	-	-	(8,99,835)	(662.45)	-	45.08	(8,99,835)	(617.37)
Total Other Equity	-	-	(17,77,862)	(1,129.62)	-	57.88	(17,77,862)	(1,071.74)

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2018

(A) Equity Share Capital

Amount in USD		
Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

₹ in Lakhs		
Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69



(B) Other Equity

Particulars	Amount in USD	(₹ in Lakhs)	Amount in USD	(₹ in Lakhs)	Amount in USD	(₹ in Lakhs)	Amount in USD	(₹ in Lakhs)
	General reserve	General reserve	Retained Earnings	Retained Earnings	Foreign Currency Translation Reserve	Foreign Currency Translation Reserve	Total	Total
Balance at the beginning of the reporting period	-	-	(9,72,957)	(528.87)	-	12.75	(9,72,957)	(516.12)
Amount transferred from the surplus balance in the statement of profit & loss	-	-	94,930	61.70	-	0.05	94,930	61.75
Total Other Equity	-	-	(8,78,027)	(467.17)	-	12.80	(8,78,027)	(454.37)

This is the statement of changes in equity referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Narendra Jain
NARENDRA JAIN
Partner
Membership No.048725



For and on behalf of the Board of Directors

N. Muralidaran
N. MURALIDARAN
Director



Place : Mumbai
Date : April 24, 2019

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

(Formerly known as NSE.IT (US) INC)

	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
A) CASHFLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX	(9,06,529)	(687.14)	97,784	63.53
Add : Adjustments for :				
- Depreciation and amortisation expense	-	-	91	0.06
- Bad Debts Written Off	-	-	2,93,007	190.57
- Sundry Balance W/ off	-	-	279	0.18
- Interest Expense	20,019	14.02	-	-
- Provision for doubtful debts	-	-	-	-
Less : Adjustments for :				
- Gain on disposal of property, plant and equipment	-	-	(109)	(0.07)
- Excess provision written back	-	-	(3,722)	(2.42)
- Provision for Doubtful debts written back	-	-	(1,43,435)	(93.29)
- Sundry Balance W/ Back	-	-	(2,34,695)	(152.64)
- Exchange Difference on items grouped under financing/Investing activities	-	(40.77)	-	-
- Interest income on Bank deposit	(1)	-	(1)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(8,86,511)	(693.89)	9,199	5.92
Adjustments for :				
- Trade Receivable and Unbilled Revenue	18,522	10.54	4,600	2.58
- Trade Payable including provisions	(3,75,083)	(234.27)	2,72,292	178.25
- Other Assets	(7,52,089)	(527.16)	10,512	6.82
- Other Liabilities	20,947	14.71	974	0.65
CASH GENERATED FROM OPERATIONS	(19,84,213)	(1,430.07)	2,97,577	194.22
- Direct Taxes paid (Net of Refunds)	(2,906)	(1.45)	(2,854)	(1.81)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	(19,87,119)	(1,431.52)	2,94,723	192.41
B) CASHFLOW FROM INVESTING ACTIVITIES				
- Sale Proceed from Property Plant, Equipment	-	-	750	0.50
- Increase in Foreign Currency Translation Reserve	-	45.08	-	0.05
- Interest received	1	-	1	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	1	45.08	751	0.55
C) CASHFLOW FROM FINANCING ACTIVITIES				
- Borrowings	20,00,000	1,424.00	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	20,00,000	1,424.00	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	12,882	37.56	2,95,474	192.96
CASH AND CASH EQUIVALENTS : OPENING BALANCE	6,93,507	451.05	3,98,033	258.09
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	7,06,389	488.61	6,93,507	451.05
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	12,882	37.56	2,95,474	192.96

Notes to Cash Flow Statement :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow.
- Previous years figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current period classifications.

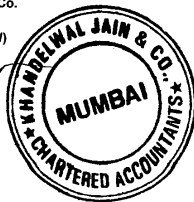
The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Narendra Jain

NARENDRA JAIN
Partner
Membership No.048725
Place : Mumbai
Date : April 24, 2019



For and on behalf of Board of Directors

N. Muralidaran
N. MURALIDARAN
Director



1 Summary of significant accounting policies :

a) Company Overview

The NSEIT (US) INC. ("the Company") is a Subsidiary of the NSEIT Limited, NSEIT Limited is a global technology firm with a focus on the financial services industry. The Company is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The Financial Statements are approved for issue by the Company's Board of Directors on April 24, 2019.

b) Basis of preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (including Ind AS), solely to enable its holding Company, NSEIT Limited to prepare its consolidated financial statements. The financial statements have been prepared on an accrual basis and under the historical cost convention.

i) Historical cost convention

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

- certain financial instruments that is measured at fair value, and
- defined benefit plans - plan assets measured at fair value.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management's best knowledge of current events and actions, uncertainty about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

d) Investments and 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 entity's business model for managing the financial assets and the contractual terms of the cash flows.

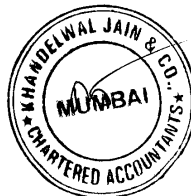
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments :-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:



Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (I) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(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 and FVOCI debt instruments. 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 by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income :-

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets 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 but does not consider the expected credit losses.

Dividends :-

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

e) Financial liabilities

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

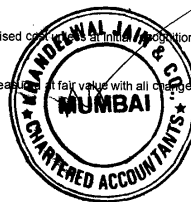
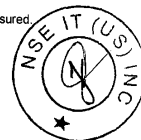
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost. At initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.



f) Transaction costs

Transaction costs are "Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Company amortises transaction costs over the expected life of the financial instrument.

g) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

h) Leases

As a lessee

Leases of property, plant and equipment and land where the Company, as lessee, has substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature

i) Revenue Recognition

The Company earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 1(h) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- (i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- (ii) Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- (iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ("POC method") of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- (iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where company forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.
- (v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- (vi) The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.
- (vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.
- (viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.



(ix) **Use of significant judgements in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

j) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of CENVAT and Value Added Tax, wherever input credit is claimed.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in Income statement as incurred.

k) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life in line with holding company.

- Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

l) **Intangible assets**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/licenses purchased/ acquired for internal use of the Company which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. Costs associated with maintaining software programs are recognised as an expense as and when incurred.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.



m) **Impairment of tangible and intangible assets excluding goodwill**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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 assessing impairment, 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 groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

o) **Cash and cash equivalents in the statement of cash flows**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) **Foreign currency transactions and translation**

(i) **Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is USD.

The financial statements are presented in Indian currency (INR), which is the Company's presentation currency, to enable its holding company, NSEIT Limited to prepare its consolidated Ind AS financial statements. Further, the Company also presented its accounts in functional currency which is USD.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the presentation currency using the exchange rates at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as a part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(iii) **Translation to the presentation currency**

The financial statements are translated from functional currency to presentation currency by using the following procedures:

- (a) assets and liabilities for each balance sheet presented (ie including comparatives) shall be translated at the closing rate at the date of the balance sheet;
- (b) income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- (c) all resulting exchange differences shall be recognised in other comprehensive income.

q) **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 the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

r) **Income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted 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.

s) **Contributed equity**

Equity 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.

t) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

u) **Trade and other payables**

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



v) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

w) **Dividends**

Final dividends on shares are recorded as a liability on the date of approval by shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

x) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

y) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

z) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

(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, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Use of significant judgements in revenue recognition [Note-i (ix)]
- Estimation of useful life of tangible asset and intangible asset (Note -2)
- Estimation of contingent liabilities and commitments (Note -28)
- Impairment of Assets [Note - 1 (m)]
- Recoverability of Trade Receivables [Note -24 (B)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

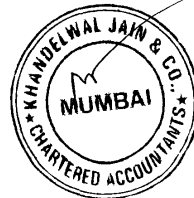
ab) **Recent Accounting Pronouncement**

Ind AS 116 Leases:

- i On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 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 twelve 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.



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 has elected certain available practical expedients on transition.

The Company is currently evaluating the effect of this amendment on the financial statements.

ii **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 is currently evaluating the effect of this amendment on the financial statements.

iii **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 is currently evaluating the effect of this amendment on the financial statements.

ac) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest USD and INR in Lakhs.



Note 2: Property, Plant & Equipment

Sr No.	Category	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As on 1-Apr-18	Additions	Deductions	As on 31-Mar-19	As on 1-Apr-18	For the year	Deductions	As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
A	Tangible Assets										
1	Computer Hardware and Servers & Networks	-	-	-	-	-	-	-	-	-	-
2	Office Equipment	-	-	-	-	-	-	-	-	-	-
3	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
4	Building - Civil Work	-	-	-	-	-	-	-	-	-	-
B	Intangible Assets										
1	Computer Software	-	-	-	-	-	-	-	-	-	-
2	Software copyrights	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	-	-	-	-	-	-	-	-	-	-
	PREVIOUS YEAR	1,097	-	1,097	-	365	91	456	-	-	732

Sr No.	Category	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As on 1-Apr-17	Additions	Deductions	As on 31-Mar-18	As on 1-Apr-17	For the year	Deductions	As on 31-Mar-18	As on 31-Mar-18	As on 31-Mar-17
A	Tangible Assets										
1	Computer Hardware and Servers & Networks	1,097	-	1,097	-	365	91	456	-	-	732
2	Office Equipment	-	-	-	-	-	-	-	-	-	-
3	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
4	Building - Civil Work	-	-	-	-	-	-	-	-	-	-
		1,097	-	1,097	-	365	91	456	-	-	732
B	Intangible Assets										
1	Computer Software	-	-	-	-	-	-	-	-	-	-
2	Software copyrights	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	1,097	-	1,097	-	365	91	456	-	-	732
	PREVIOUS YEAR	-	1,097	-	1,097	-	365	-	365	732	-



Sr No.	Category	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As on 1-Apr-18	Additions	Deductions	As on 31-Mar-19	As on 1-Apr-18	For the year	Deductions	As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
A	Tangible Assets										
1	Computer Hardware and Servers & Networks	-	-	-	-	-	-	-	-	-	-
2	Office Equipment	-	-	-	-	-	-	-	-	-	-
3	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
4	Building - Civil Work	-	-	-	-	-	-	-	-	-	-
B	Intangible Assets										
1	Computer Software	-	-	-	-	-	-	-	-	-	-
2	Software copyrights	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL										
	PREVIOUS YEAR	0.73	-	0.73	-	0.24	0.06	0.30	-	-	0.49

Sr No.	Category	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As on 1-Apr-17	Additions	Deductions	As on 31-Mar-18	As on 1-Apr-17	For the year	Deductions	As on 31-Mar-18	As on 31-Mar-17	
A	Tangible Assets										
1	Computer Hardware and Servers & Networks	0.73	-	0.73	-	0.24	0.06	0.30	-	-	0.49
2	Office Equipment	-	-	-	-	-	-	-	-	-	-
3	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
4	Building - Civil Work	-	-	-	-	-	-	-	-	-	-
		0.73	-	0.73	-	0.24	0.06	0.30	-	-	0.49
B	Intangible Assets										
1	Computer Software	-	-	-	-	-	-	-	-	-	-
2	Software copyrights	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	0.73	-	0.73	-	0.24	0.06	0.30	-	-	0.49
	PREVIOUS YEAR	-	0.73	-	0.73	-	0.24	-	0.24	0.49	-



3 Other Financial Assets

	Non-current		Non-current		Current		Current	
	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)
i Loan								
Security deposit	98	0.07	98	0.06	-	-	-	-
ii Others								
Insurance Claim Receivable from NSEIT Limited	-	-	-	-	7,61,900	527.01	-	-
	98	0.07	98	0.06	7,61,900	527.01	-	-
Total	98	0.07	98	0.06	7,61,900	527.01	-	-

4 Other assets

	Non-current		Non-current		Current		Current	
	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)
Advance to Creditors (unsecured, considered good)	-	-	-	-	98	0.07	-	-
Prepaid expenses	-	-	-	-	410	0.28	320	0.21
	-	-	-	-	508	0.35	320	0.21

5 Trade receivables

	Non-current		Non-current		Current		Current	
	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)
Unsecured, considered good unless stated otherwise								
Outstanding for a period of over six months from the date they are due for payment								
Secured, considered good	-	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-	-
Other debts								
Secured, considered good	-	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	36,686	25.37	33,896	22.05
Doubtful	-	-	-	-	-	-	-	-
	-	-	-	-	36,686	25.37	33,896	22.05
Total	-	-	-	-	36,686	25.37	33,896	22.05



6	Unbilled Receivable	Non-current		Non-current		Current		Current	
		31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)
	Unbilled Receivable	-	-	-	-	-	-	21,312	13.86
								21,312	13.86

7	Cash and Cash equivalents	Non-current		Non-current		Current		Current	
		31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)	31.03.2019 (Amt in USD)	31.03.2019 (₹ in Lakhs)	31.03.2018 (Amt in USD)	31.03.2018 (₹ in Lakhs)
	Balances with banks								
	- In Current Accounts	-	-	-	-	7,01,636	485.32	6,86,755	447.96
	- In Savings Accounts	-	-	-	-	4,753	3.29	4,752	3.09
	Total					7,06,389	488.61	6,93,507	451.05

8	Equity Share Capital	31.03.2019	31.03.2019	31.03.2018	31.03.2018
		(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	<u>Authorised</u>				
	10,00,000 (P.Y. 10,00,000) Equity Shares of USD 1/- each	10,00,000	533.69	10,00,000	533.69
	<u>Issued, Subscribed and Paid-up</u>				
	10,00,000 (P.Y. 10,00,000) Equity shares of USD 1/- each fully paid up	10,00,000	533.69	10,00,000	533.69

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of USD 1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the company

	31.03.2019		31.03.2018	
	No.	% holding	No.	% holding
Equity shares of USD 1/- each fully paid	10,00,000	100%	10,00,000	100%
NSEIT Limited				



9 Other Equity	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
General reserve				
As per last balance sheet	-	-	-	-
Add : Transferred from surplus balance in the Statement of Profit & Loss	-	-	-	-
Surplus/(deficit) in the statement of profit and loss				
As per last balance sheet	(8,78,027)	(467.17)	(9,72,957)	(528.87)
Add : Profit / (Loss) for the year	(8,99,835)	(662.45)	94,930	61.70
	(17,77,862)	(1,129.62)	(8,78,027)	(467.17)
Foreign Currency Translation Reserve				
As per last balance sheet	-	12.80	-	12.75
Add: Foreign Currency Translation Reserve	-	45.08	-	0.05
		57.88		12.80
Total Other Equity	(17,77,862)	(1,071.74)	(8,78,027)	(454.37)

10 Trade Payables	Non-current		Non-current		Current		Current	
	31.03.2019	31.03.2019	31.03.2018	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Trade payables to MSME	-	-	-	-	-	-	-	-
Trade payables to related Party (NSEIT Limited)	-	-	-	-	2,32,635	160.91	6,09,562	396.46
	-	-	-	-	2,32,635	160.91	6,09,562	396.46

11 Other Financial Liabilities	Non-current		Non-current		Current		Current	
	31.03.2019	31.03.2019	31.03.2018	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Borrowings	20,00,000	1,383.40	-	-	-	-	-	-
Interest Payable	-	-	-	-	20,019	13.85	-	-
Liabilities for Expenses	-	-	-	-	26,545	18.36	5,998	3.65
	20,00,000	1,383.40	-	-	46,564	32.21	5,998	3.65

Borrowings of USD 2000000 taken from Parent Company is unsecured.
Interest payable on the above borrowings is @ Libor (as on September 30, 2018) plus 300 basis point i.e 5.34%
Borrowings of USD 2000000 is for tenure of 5 years.

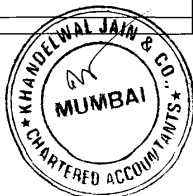
12 Income Taxes

(A) The major components of income tax expense are as follows:

Profit or loss section				
Particulars	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Current taxes	4,000	2.71	12,000	7.69
Short / (Excess) for earlier years	(10,694)	(7.40)	(9,146)	(5.86)
Deferred taxes movement of Asset	-	-	-	-
Deferred taxes movement of Liability	-	-	-	-
Income tax expense reported in the statement of profit or loss	(6,694)	(4.69)	2,854	1.83

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended	Year ended	Year ended	Year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Profit before income tax expense	(9,06,529)	(667.14)	97,784	63.53
Current tax	4,000	2.71	12,000	7.69
Short / (Excess) for earlier years	(10,694)	(7.40)	(9,146)	(5.86)
Tax expense for the year	(6,694)	(4.69)	2,854	1.83



(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	Year ended	Year ended	Year ended	Year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Net current income tax asset/(liability) at the beginning	(12,000)	(7.80)	(12,000)	(7.78)
Income tax paid (including TDS and net of refund)	2,906	1.45	2,854	1.81
Current income tax expense	6,694	4.69	(2,854)	(1.83)
Income tax on other comprehensive income	-	-	-	-
Net current income tax asset/(liability) at the end	(2,400)	(1.66)	(12,000)	(7.80)

13 Income Tax Liabilities / Assets

	Non-current		Non-current		Current		Current	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Income Tax Liabilities (net)	-	-	-	-	2,400	1.66	12,000	7.80
Total	-	-	-	-	2,400	1.66	12,000	7.80

14 Other liabilities

	Non-current		Non-current		Current		Current	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Advance received from customers	-	-	-	-	1,844	1.28	-	-
Total	-	-	-	-	1,844	1.28	-	-

15 Revenue from operations

Sale of Services :

- Application Development & Maintenance Services

- ITES - Assessment Services

Total

	For the year ended	For the year ended	For the year ended	For the year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
- Application Development & Maintenance Services	2,15,104	149.79	2,73,988	175.77
- ITES - Assessment Services	44,767	31.14	67,469	43.28
Total	2,59,871	180.93	3,41,457	219.05

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	For the year ended	For the year ended	For the year ended	For the year ended
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Revenues by contract type				
Fixed Price	44,767	31.14	67,469	43.28
Time & Materials	2,15,104	149.79	2,73,988	175.77
Total	2,59,871	180.93	3,41,457	219.05

Performance obligations and remaining performance obligations

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. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialized and adjustments for currency.

Revenue disaggregation by geography is as follows:

Entire revenue from operations is derived from One Country (US)



Changes in Contract assets are as follows:		31.03.2019	31.03.2019
		(Amt in USD)	(₹ in Lakhs)
Balance at the beginning of the year		21,312	13.86
Invoices raised during the year		(21,272)	(13.83)
Contract assets reversed for financial year 2017-18		(40)	(0.03)
Revenue recognised during the year		-	-
Balance at the end of the year		-	-

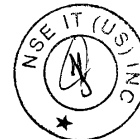
Changes in Unearned and deferred revenue are as follows:		31.03.2019	31.03.2019
		(Amt in USD)	(₹ in Lakhs)
Balance at the beginning of the year		-	-
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year		-	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year		-	-
Advance adjusted against trade receivables		-	-
Advance received during the year		1,844	1.28
Balance at the end of the year		1,844	1.28

16 Other Income

Interest Income

- On Bank Deposits				
Net Gain on disposal of property, plant and equipment				
Excess provision written back				
Provision for Doubtful debts written back				
Sundry Balance W/ Back				
Miscellaneous Income				
Total				

For the year ended	For the year ended	For the year ended	For the year ended
31.03.2019	31.03.2019	31.03.2018	31.03.2018
(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
-	-	1	-
-	-	109	0.07
-	-	3,722	2.42
-	-	1,43,435	93.29
-	-	2,34,695	152.64
311	0.21	-	-
312	0.21	3,81,962	248.42



17 Employee benefits expenses

	For the year ended 31.03.2019 (Amt in USD)	For the year ended 31.03.2019 (₹ in Lakhs)	For the year ended 31.03.2018 (Amt in USD)	For the year ended 31.03.2018 (₹ in Lakhs)
Salaries, wages and allowances	-	-	31,180	19.96
Total	-	-	31,180	19.96

18 Finance Cost

	For the year ended 31.03.2019 (Amt in USD)	For the year ended 31.03.2019 (₹ in Lakhs)	For the year ended 31.03.2018 (Amt in USD)	For the year ended 31.03.2018 (₹ in Lakhs)
Bank Charges	862	0.60	1,226	0.79
Interest Expense	20,019	14.02	-	-
	20,881	14.62	1,226	0.79

19 i Technical & Sub Contract Charges

	2,07,897	144.75	2,73,166	175.24
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ii Other expenses

Rent	1,177	0.82	3,126	2.00
Insurance	18,018	12.54	8,102	5.21
Travelling expenses	-	-	750	0.48
Professional Fees	43,075	30.44	6,628	4.25
Fees & Subscription	-	-	448	0.29
Bad Debts Written Off (Refer Note 26)	-	-	2,93,007	190.57
Sundry Balance W/ off	-	-	279	0.18
Service Tax/ GST on Technical & Sub Contract Charges	9,237	6.48	6,498	4.18
Miscellaneous expenses	3,327	2.33	1,134	0.73
Total	74,834	52.61	3,19,972	207.89

20 In accordance with Indian Accounting Standard - 33 "Earning per Share"

Earning per share

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
Net Profit attributable to Shareholders				
Profit / (Loss) after tax	(8,99,835)	(662.45)	94,930	61.70
Weighted Average number of equity shares issued (in nos)	10,00,000	10,00,000	10,00,000	10,00,000
Basic earnings per share of \$ 1/- each				
Basic	(0.90)	(66.25)	0.09	6.17
Diluted	(0.90)	(66.25)	0.09	6.17

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.



(a) Names of the related parties and related party relationship

Sl No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company's Holding Company
3	NSEIT Limited	Holding Company
4	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Fellow Subsidiary of Holding Company's Holding Company
5	NSE IFSC Limited	Fellow Subsidiary of Holding Company's Holding Company
6	National Securities Depository Limited	Ultimate Holding Company's Associate
7	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
8	NSDL e-Governance Infrastructure Limited	Associate Company of Holding Company's Holding Company
9	Power Exchange India Limited	Associate Company of Holding Company's Holding Company
10	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary of Holding Company
11	NSE Infotech Services Limited	Fellow Subsidiary of Holding Company
12	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary of Holding Company
13	NSE Academy Limited	Fellow Subsidiary of Holding Company
14	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
15	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
16	NSE Foundation (w.e.f. 5th March 2018)	Fellow Subsidiary of Holding Company's Holding Company
17	Aujas Networks Pvt. Ltd. (w.e.f. 22nd March 2019)	Fellow subsidiary Company
18	Mr. N. Muralidaran - Director	Key Management Personnel

(b) Details of transactions (including GST/service tax wherever levied) with related parties are as follows :

Name of the Related Party	Nature of Transactions	Year ended	Year ended	Year ended	Year ended
		31.03.2019	31.03.2019	31.03.2018	31.03.2018
		(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
NSEIT Limited	Application Development and Maintenance Services	1,72,083	119.83	2,19,190	140.43
	ITES - Assessment Services	51,315	34.97	53,976	34.83
	Taxes recovered	9,237	6.29	6,498	4.18
	Loan taken	(20,00,000)	(1,383.40)		
	Interest on Loan	20,019	14.02		
	Write Back of Payables			(2,34,406)	(152.46)
	Insurance Claim Receivable from Holding Company	7,61,900	527.01		
	Closing Balance - Loan taken including interest accrued	(20,20,019)	(1,397.25)		
	Closing Balance - Dr./ (Cr.)	(2,32,635)	(160.91)	(6,09,562)	(396.46)

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2019 and March 31, 2018. The Company has not recorded any impairment of receivables relating to amount owed by related parties.



22 Segment Reporting:**a Description of segments and principal activities**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the management of the Company. The Company has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :

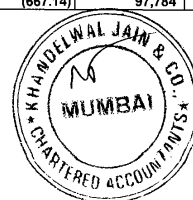
- the nature of products and services
- the differing risks
- the internal organisation and management structure, and
- the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Company. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

b Segment Revenue :

Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable. Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

Particulars	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	2018-19	2018-19	2017-18	2017-18
Segment Revenue				
End to End Solution	2,15,104	149.79	2,73,988	175.77
ITES - Assessment Services	44,767	31.14	67,469	43.28
Total	2,59,871	180.93	3,41,457	219.05
Inter-segment revenue				
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Revenue from external customers				
End to End Solution	2,15,104	149.79	2,73,988	175.77
ITES - Assessment Services	44,767	31.14	67,469	43.28
Total	2,59,871	180.93	3,41,457	219.05
Segment Results				
End to End Solution	43,021	29.96	1,39,921	90.51
ITES - Assessment Services	(284)	(0.25)	6,995	4.48
Total	42,737	29.71	1,46,916	94.99
Less: Unallocable Expenses (Net of income)	86,167	60.55	49,133	31.46
Add: Interest income	1	-	1	-
Profit before Tax	(43,429)	(30.84)	97,784	63.53
Exceptional item	8,63,100	636.30	-	-
Profit before tax	(9,06,529)	(667.14)	97,784	63.53



Less : Income Tax expense	4,000	2.71	12,000	7.69
- Current tax	(10,694)	(7.40)	(9,146)	(5.86)
- Short / Excess Tax for earlier years	-	-	-	-
- Deferred tax	-	-	-	-
Total Tax Expenses	(6,694)	(4.69)	2,854	1.83
Net profit after tax	(8,99,835)	(662.45)	94,930	61.70

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

Particulars	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
India	-	-	-	-
Outside India	2,59,871	180.93	3,41,457	219.05
Total	2,59,871	180.93	3,41,457	219.05

d Segment Assets

Segment assets are measured in the same way as in the balance sheet. These assets are allocated based on the operations of the segment.

Segments	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
End to End Solution	34,916	24.15	32,116	20.89
ITES - Assessment Services	1,770	1.22	23,092	15.02
Total Segment Assets	36,686	25.37	55,208	35.91
Unallocable Assets	14,68,895	1,016.04	6,93,925	451.32
Total Assets	15,05,581	1,041.41	7,49,133	487.23

There are no non current assets situated outside the domicile of India.

e Segment Liabilities

Segment Liabilities are measured in the same way as in the financial statements. These Liabilities are allocated based on the operations of the segment.

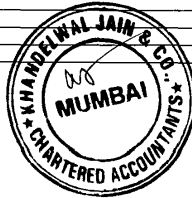
Segments	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
End to End Solution	60,552	41.88	5,30,582	345.09
ITES - Assessment Services	1,72,083	119.03	78,980	51.37
Total Segment Liabilities	2,32,635	160.91	6,09,562	396.46
Unallocable Liabilities	20,50,808	1,418.55	17,598	11.45
Total Liabilities	22,83,443	1,579.46	6,27,160	407.91

f Segment Capital Expenditure

Segments	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Capital Expenditure	-	-	-	-
Add: Unallocable Capital Expenditure	-	-	-	-
Total Capital Expenditure	-	-	-	-

g Segment Depreciation / Amortisation

Segments	(Amt in USD)	(₹ in Lakhs)	(Amt in USD)	(₹ in Lakhs)
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Depreciation / Amortisation	-	-	-	-
Add: Unallocable Depreciation / Amortisation	-	-	91	0.06
Total Depreciation / Amortisation	-	-	91	0.06



Note :

Information about major customers

Company's significant revenues have been derived from 1 customer (Previous year 3 customers). Details of the same are given as under:

Details	Forming part of segment	2018-19			2017-18		
		(Amt in USD)	(₹ in Lakhs)	% of revenue From Operation	(Amt in USD)	(₹ in Lakhs)	% of revenue From Operation
Customer 1	End to End Solutions	2,15,104	149.79	82.79	37,872	24.24	11.06
Customer 2	End to End Solutions	-	-	-	2,24,616	143.94	65.71
Customer 3	ITES-Assessment Services	-	-	-	38,714	25.07	11.44

No other single customer contributed 10% or more to the Company's revenue for FY 2018-19 and FY 2017-18.



23 Fair Value Measurements

a) Financial Instruments by category

Particulars	(Amt in USD)			(₹ in Lakhs)			(Amt in USD)			(₹ in Lakhs)		
	31-Mar-19			31-Mar-19			31-Mar-18			31-Mar-18		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets												
Investments												
Trade receivables	-	-	36,686	-	-	25.37	-	-	33,896	-	-	22.05
Unbilled Revenue	-	-	-	-	-	-	-	-	21,312	-	-	13.86
Cash and Cash equivalents	-	-	7,06,389	-	-	488.61	-	-	6,93,507	-	-	451.05
Other Financial assets	-	-	7,61,998	-	-	527.08	-	-	98	-	-	0.06
Total	-	-	15,05,073	-	-	1,041.06	-	-	7,48,813	-	-	487.02
Financial Liabilities												
Borrowings	-	-	20,00,000	-	-	1,383.40	-	-	-	-	-	-
Trade Payables	-	-	2,32,635	-	-	160.91	-	-	6,09,562	-	-	396.46
Other financial liabilities	-	-	46,564	-	-	32.21	-	-	5,598	-	-	3.65
Total	-	-	22,79,199	-	-	1,576.52	-	-	6,15,160	-	-	400.11

b) Fair Value Measurements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements at approximate their fair values.



The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework

The Company has developed a Risk Management Policy. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Company's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The core business & operational risk is managed through cross functional involvement and communication across businesses.

The Finance department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Particulars	(Amt in USD)				(₹ in Lakhs)			
	Carrying amount	Less than 12 months	More than 12months	Total	Carrying amount	Less than 12 months	More than 12months	Total
As at 31st March 2019								
Trade payables	2,32,635	2,32,635	-	2,32,635	160.91	160.91	-	160.91
Other financial liabilities	46,564	46,564	-	46,564	32.21	32.21	-	32.21
As at 31st March 2018								
Trade payables	6,09,562	6,09,562	-	6,09,562	396.46	396.46	-	396.46
Other financial liabilities	5,598	5,598	-	5,598	3.65	3.65	-	3.65

B : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables is high, due to the Company's customer base being small.

Trade receivables

All trade receivables are reviewed and assessed for default on a quarterly basis.

Based on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is low.



25 Capital and other commitments - NIL

26 The company has incurred losses during the year amounting to USD 8,99,835 (Rs.662.45 lakhs), it has accumulated losses of USD 17,77,862 (Rs.1071.74 lakhs) and has negative net worth of USD 7,77,862 (Rs.538.05 lakhs) as at March 31, 2019. Considering long term and strategic nature of the investments and future business plans, the accounts of the company has been prepared on a going concern basis.

27 Selec Transportation Resources Inc (STR) filed a suit in the state district court in Harris County, Texas alleging causes of action against the company. While the company, had a strong case to defend itself if a litigation process would have been initiated by STR, both Parties agreed to a mediation considering the time frame, cost and substantial time & effort of all stake holders in such litigation. After a series of discussions and hard negotiations the Parties mutually agreed for a one time full and final settlement of US\$2.00 million (Rs.1422.03 lakhs), inclusive of all costs and expenses. A Settlement and Release Agreement was executed between the Parties to that effect. An Order for the Dismissal of Suit has also been executed to dispose the claims.

The company had subscribed to independent professional Indemnity insurance policy from Westchester Fire Insurance Company (Chubb) for a limit of liability aggregating to US \$1.00 million. Chubb has settled insurance claim amounting to US \$ 3,75,000 (Rs.258.71 lakhs), over and above the defence cost to the Company.

Further, the holding company has professional liability policy for a limit of liability aggregating to Rs. 1700 lakhs with Tata AIG General Insurance Company Ltd. ("Tata AIG") in India. This policy covers the global business of the holding company. It also provides cover to the company. Under the said insurance policy, the holding company has insured itself and the company with Tata AIG in respect of claims first made against the insured by third party and reported to Tata AIG during the policy period. Based on the policy terms and negotiation with Tata AIG, the holding company has recognized insurance claim amounting to USD 8,12,500 less policy deductible of USD 50600 (Rs.35 lakhs) (Rs. 527.01 lakhs), receivable from Tata AIG. The same has been shown as receivable by holding company from Tata AIG which in turn is shown as receivable by the company from holding company. The settlement amount net of insurance claim recovered/ recoverable, amounting to USD 8,63,100 (Rs.636.30 lakhs) is shown as exceptional item.

28 Contingent liability - NIL

29 Expenditure in foreign currency (accrual basis) - NIL

30 Earnings in foreign currency (accrual basis) - NIL

31 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

32 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

(Firm Reg No : 105049W)

Narendra Jain

NARENDRA JAIN

Partner

Membership No.048725



For and on behalf of Board of Directors

N. Muralidaram

N. MURALIDARAM

Director

DIN No. 06567029



Place : Mumbai
Date : April 24, 2019