Incessant Technologies (Australia) Pty Ltd

ABN 12 138 639 068

Annual Report - 31 March 2018

Incessant Technologies (Australia) Pty Ltd
Directors' report
31 March 2018

The directors present their report, together with the financial statements, on the company for the year ended 31 March 2018.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Glenn Merchant
Vijay Madduri
Arvind Thakur

Principal activities

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

- Primarily offering services in the area of Software Solutions, Consultancy Services and Solutions on Business Process Management to the Banking, Travelling and Insurance Industry.

Dividends

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

Review of operations

The profit for the company after providing for income tax amounted to $3,396,929 (31 March 2017: $1,900,261).

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 March 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

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

Environmental regulation

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

Shares under option

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

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 31 March 2018 and up to the date of this report.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

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

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

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

On behalf of the directors

Glenn Merchant Director	Vijay Madduri Director

27 April 2018
SYDNEY

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General information

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

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

Suite 17, Level 14 Lumley House
309 Kent Street
SYDNEY NSW 2000

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

The comparative financial information presented in this report pertains to the period 1 April 2016 to 31 March 2017.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 April 2018. The directors have the power to amend and reissue the financial statements.

Particulars		**2018**		**2017**	
		USD	**INR**	**USD**	INR
Revenue	3	24,470,370	1,221,340,637	21,686,003	1093408271
Expenses					
Production, development and execution	4	(7,268,698)	-362,787,986	(8,099,947)	(408,399,328)
Exchange differences		(66,480)	-3,318,083	(98,337)	(4,958,152)
Employee benefits expense		(11,786,634)	-588,282,690	(9,752,499)	(491,721,000)
Depreciation and amortisation expense		(2,905)	-144,991	(34,992)	(1,764,297)
Other expenses		(949,579)	-47,394,437	(581,745)	(29,331,583)
Finance costs		(13,862)	-691,866	(20,157)	-1,016,316
Profit before income tax expense		4,382,212	218,720,583	3,098,326	156,217,597
Income tax expense	5	985283	49,176,460	(1,198,065)	-60,406,437
Profit after income tax expense for the year attributable to the owners of Incessant Technologies (Australia) Pty Ltd	18	3396929	486,617,626	1,900,261	252,028,757
Other comprehensive income for the year, net of tax					
Total comprehensive income for the year attributable to the owners of Incessant Technologies (Australia) Pty Ltd		3,396,929	486,617,626	1,900,261	252,028,757
The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes					

Incessant Technologies (Australia) Pty Ltd
Statement of financial position
As at 31 March 2018

	Note	**2018**		**2017**	
		$		**$**	
		2018		2017	
Assets		USD	INR	USD	INR
Current assets					
Cash and cash equivalents	6	4,360,242	218,142,907	3,619,499	179,309,980
Trade and other receivables	7	5,009,709	250,635,741	2,450,312	121,388,456
Income tax refund due	8	816,808	40,864,904	814,258	40,338,341
Other	9	552,589	27,646,028	315,460	15,627,888
Total current assets		10,739,348	537,289,580	7,199,529	356,664,667
Non-current assets					
Property, plant and equipment	10	4,966	248,449	7,871	389,929
Deferred tax	12	148,096	7,409,243	267,223	13,238,227
Total non-current assets		153,062	7,657,692	275,094	13,628,157
Total assets		10,892,410	544,947,272	7,474,623	370,292,823
Liabilities					
Current liabilities					
Trade and other payables	13	2,088,438	104,484,553	2,039,530	101,038,316
Income tax	14	1,619,789	81,038,044	1,223,233	60,598,963
Employee benefits	15	66,239	3,313,937	42,000	2,080,680
Other	16	370,029	18,512,551	818,874	40,567,018
Total current liabilities		4,144,495	207,349,085	4,123,637	204,284,977
Total liabilities		4,144,495	414,698,170	4,123,637	408,569,954
Net assets		6,747,915	130,249,103	3,350,986	-38,277,131
Equity					
Issued capital	17	100	5,003	100	4,954
Retained profits	18	6,747,815	337,593,184	3,350,886	166,002,892
Total equity		6,747,915	337,598,187	3,350,986	166,007,846
The above statement of financial position should be read in conjunction with the accompanying notes					

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

Incessant Technologies (Australia) Pty Ltd
Statement of changes in equity
For the year ended 31 March 2018

Particulars	Issued capital	Retained Profits	Total equity	Issued capital	Retained Profits	Total equity
	$	$	$	INR	INR	INR
Balance at 1 April 2016	100	1,450,625	1,450,725	5,080	73,697,553	73,702,633
Profit after income tax expense for the year	-	1,900,261	1,900,261		95,811,160	4,830,798,668
Other comprehensive income for the year, net of tax	-					
Total comprehensive income for the year	-	1,900,261	1,900,261	-	95,811,160	95,811,160
Currency translation reserve						
Balance at 31 March 2017	100	3,350,886	3,350,986	4,954	166,002,892	166,007,846
	Issued capital	**Retained Profits**	**Total equity**	**Issued capital**	**Retained Profits**	**Total equity**
Particulars	**$**	**$**	**$**	**INR**	**INR**	INR
Balance at 1 April 2017	100	3,350,886	3,350,986	4,954	166,002,892	166,007,846
Profit after income tax expense for the year	0	3,396,929	3,396,929		169,544,123	169,544,123
Other comprehensive income for the year, net of tax						
Total comprehensive income for the year	0	3,396,929	3,396,929	-	169,544,123	169,544,123
Currency translation reserve						
Balance at 31 March 2018	100	6,747,815	6,747,915	5,003	337,593,184	337,598,187

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

Incessant Technologies (Australia) Pty Ltd
Statement of changes in equity
For the year ended 31 March 2018

	Note	2018		2017	
		$	INR	$	INR
Cash flows from operating activities					
Receipts from customers (inclusive of GST)		21,685,946	1,082,367,251	24,637,930	1,242,244,430.60
Payments to suppliers (inclusive of GST)		-20,461,374	-1,021,247,638	-19,746,092	-995,597,958.64
		1,224,572	61,119,613	4,891,838	246,646,472
Other revenue		4,073	203,288	4,171	210,301.82
Interest and other finance costs paid		-13,862	-691,866	-20,157	-1,016,315.94
Income taxes paid		-472,150	-23,565,479	-1,019,174	-51,386,753.08
Net cash from operating activities	25	742,633	37,065,556	3,856,678	194,453,705
Cash flows from investing activities					
Payments for property, plant and equipment	10		-	-8,318	-419,394
Payments for security deposits	9	-1,890	- 94,331.79	-	-
Loans from/(to) related and other parties				-1,034,592	-52,164,129
Net cash used in investing activities		-1,890	-94,556.70	-1,042,910	-51,665,761
Changes in Foreign Currency Transaction Reserve		-	224.91		917,761
Cash flows from financing activities					
Net cash from financing activities		-		-	
Net increase in cash and cash equivalents		740,743	36,970,999	2,813,768	142,787,943
Cash and cash equivalents at the beginning of the financial year		3,619,499	179,309,980	805,731	40,934,357.72
Changes in Foreign Currency Transaction Reserve			1,861,928		- 4,412,321
Cash and cash equivalents at the end of the financial year	6	4,360,242	218,142,907	3,619,499	179,309,980

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

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

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

Historical cost convention

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

Critical accounting estimates

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

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services

Rendering of services revenue from computer maintenance fees is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest

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

Other revenue

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

Income tax

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

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

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

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

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

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

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

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

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

Computers and peripherals	2-5 years
Office Equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 1. Significant accounting policies (continued)

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

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

Employee benefits

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

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

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

Issued capital
Ordinary shares are classified as equity.

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

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

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

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 March 2018. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

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

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

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

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

Note 3. Revenue	**2018**		**2017**	
	$	**INR**	**$**	**INR**
Sales revenue	-		-	
Sales from operations	24,466,297	1,221,137,350	21,681,832	1,093,197,969
Other revenue	-		-	
Other revenue	4,073	203,288	4,171	210,302
Revenue	24,470,370	1,221,340,637	21,686,003	1,093,408,271.26

Note 4. Production, development and execution				
	2018 **$**	**2018** **INR**	**2017** **$**	**2017** **INR**
Professional service expenses for production	7,268,698	362,787,986	8,099,947	408,399,328

Note 5. Income tax expense

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

	2018 **$**	**2018** **INR**	**2017** **$**	**2017** **INR**
Income tax expense				
Current tax	866,156	43,230,712.12	633,100	31,920,902
Deferred tax - origination and reversal of temporary differences	119,127	5,945,747.70	-267,223	-13,473,384
Adjustment recognised for prior periods	-		832,188	41,958,919
Aggregate income tax expense	985,283	49,176,460	1,198,065	60,406,437
Deferred tax included in income tax expense comprises:				
Decrease/(increase) in deferred tax assets (note 12)	119,127	5,945,747.70	-267,223	-13,473,384
Numerical reconciliation of income tax expense and tax at the statutory rate				-
Profit before income tax expense	4,382,212	218,720,583.13	3,098,326	156,217,597
Tax at the statutory tax rate of 30%	1,314,664	65,616,194.90	929,498	46,865,289
Adjustment recognised for prior periods	-		832,188	41,958,919
Prior year temporary differences not recognised now recognised	-329,381	-16,439,735.09	-563,621	-28,417,771
Income tax expense	985,283	49,176,460	1,198,065	60,406,437

Note 6. Current assets - cash and cash equivalents	**2018**	**2018**	**2017**	**2017**
	$	**INR**	**$**	**INR**
Cash at bank	4,360,242	218,142,907	3,619,499	179,309,980

Note 7. Current assets - trade and other receivables	**2018**	**2018**	**2017**	**2017**
	$	**INR**	**$**	**INR**
Trade receivables	5,009,709	250,635,741	2,025,372	100,336,929
Loan - Incessant Technology NA Inc(USA)	-		424,940	21,051,528
	5,009,709	250,635,741	2,450,312	79,285,401

Impairment of receivables
The company has not recognised a loss in respect of impairment of receivables for the year ended 31 March 2018.

Incessant Technologies (Australia) Pty Ltd
Notes to the financial statements
31 March 2018

Note 8. Current assets - income tax refund due	2018	2018	2017	2017
	$	INR	$	INR
Income tax refund due	816,808	40,864,904	814,258	40,338,341

Note 9. Current assets - Other	2018	2018	2017	2017
	$	INR	$	INR
Accrued revenue	460,828	23,055,225	239,874	11,883,358
Prepayments	88,421	4,423,703	74,136	3,672,697
Security deposits	3,340	167,100	1,450	71,833
	552,589	27,646,028	315,460	15,627,888

Note 10. Non-current assets - property, plant and equipment	2018	2018	2017	2017
	$	INR	$	INR
Plant and equipment - at cost	9,878	494,196	9,878	489,356
Less: Accumulated depreciation	-4912	-245,747	(2,007)	-99,427
	4,966	248,449	7,871	389,929

Incessant Technologies (Australia) Pty Ltd
Notes to the financial statements
31 March 2018

Note 12. Non-current assets - deferred tax (continued)

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

	Plant and Equipment	Total	Plant and Equipment	Total
	$	$	INR	INR
Balance at 1 April 2016	480	480	24386	24386
Additions	8,318	8,318	419,394	419394
Depreciation expense	-927	(927)	-46739.34	-46739
Balance at 31 March 2017	7,871	7,871	389,929	389929
Depreciation expense	-2905	(2,905)	-144991.455	-144991
Balance at 31 March 2018	4,966	4,966	248,449	248449

Note 11. Non-current assets - intangibles	**2018**	**2018**	**2017**	**2017**
	$	**INR**	**$**	**INR**
Software - at cost	55,229	2,736,045	55,229	2,736,045
Less: Accumulated amortisation	-55229	-2736045	(55,229)	(2,736,045)

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

	Software	**Software**	**Total**	**Total**
	$	**INR**	**$**	**INR**
Balance at 1 April 2016	34,064	1,730,587	34,064	1,730,587
Amortisation expense	-34,064	-1,730,587	(34,064)	-1,730,587
Balance at 31 March 2017				0
Balance at 31 March 2018	-			0

Note 12. Non-current assets - deferred tax	**2018**	**2018**	**2017**	**2017**
	$	**INR**	**$**	**INR**
Deferred tax asset comprises temporary differences attributable to:				
Amounts recognised in profit or loss:				
Employee benefits	82,767	4,140,833	266,047	13,179,968
Provisions	65329	3,268,410	1,176	58,259
Deferred tax asset	148,096	7,409,243	267,223	13,238,227
Movements:				
Opening balance	267,223	13,369,167	-	-
Credited/(charged) to profit or loss (note 5)	-119127	-5,959,924	267,223	13,238,227
Closing balance	148,096	7,409,243	267,223	13,238,227

Incessant Technologies (Australia) Pty Ltd
Notes to the financial statements
31 March 2018

Note 13. Current liabilities - trade and other payables	2018 $	2018 INR	2017 $	2017 INR
Trade payables	901,813	45,117,704	1,012,778	50,173,022
BAS payable	717,606	35,901,828	771,459	38,218,079
Other payables	469019	23,465,021	255,293	12,647,215
	2,088,438	104,484,553	2,039,530	101,038,316

Refer to note 20 for further information on financial instruments.

Note 14. Current liabilities - income tax	2018	2018	2017	2017
	$	INR	$	INR
Provision for income tax	1,619,789	81,038,044	1,223,233	60,598,963

Note 15. Current liabilities - employee benefits	2018 $	2018 INR	2017 $	2017 INR
Annual leave	66,239	3,313,937	42,000	2,080,680

Note 16. Current liabilities - other	2018 $	2018 INR	2017 $	2017 INR
Accrued expenses	355,152	17,768,255	818,874	40,567,018
Deferred revenue	14877	744296.31		
	370,029	18,512,551	818,874	40,567,018

Note 17. Equity - issued capital	2018	2017	2018	2018	2017	2017
	Shares	Shares	$	INR	$	INR
Ordinary shares - fully paid	100	100	100	5003	100	4954

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

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

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

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

Note 17. Equity - issued capital (continued)

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

The capital risk management policy remains unchanged from the 2017 Annual Report.

Note 18. Equity - retained profits	2018	2018	2017	2017
	$	INR	$	INR
Retained profits at the beginning of the financial year	3,350,886	166,002,892	1,450,625	73,697,553
Profit after income tax expense for the year	3396929	169544123	1,900,261	95811159.62
Retained profits at the end of the financial year	6,747,815	337,593,184	3,350,886	166,002,892
Foreign exchnage Difference reserve		-2,046,169		3,505,820

Note 19. Equity - dividends

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

Note 20. Financial instruments

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

To mitigate the risks Company has Internal Control Financial Risk Matrix (ICFR) which is being audited by Corporate Internal Audit Team at a global level of Incessant and report is discussed with Top Management.

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

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

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

The company has a credit risk exposure with a major customer, which as at 31 March 2018 owed the company $1,056,109 (46.17% of trade receivables). This balance was within its terms of trade and no impairment was made as at 31 March 2018. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

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

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

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

Incessant Technologies (Australia) Pty Ltd
Notes to the financial statements
31 March 2018

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	2018	2018	2017	2017
	$	INR	$	INR
Audit services -				
Audit of the financial statements	26,000	1,297,686	18,000	898,398

Note 22. Commitments	2018 $	2018 INR	2017 $	2017 *INR*
Lease commitments - operating Total of future Minimum Lease Payments under non-cancelable leases in case of premises and equipments:				
Within one year	-		47,340	2,368, 420

Note 23. Related party transactions

Parent entity
NIIT Technologies Ltd, India is the parent entity.
Transactions with related parties
The following transactions occurred with related parties:

	2018		2017	
	$	INR	$	INR
Sale of goods and services:				
Sale of services to associate	0	-	38,903	1,961,489
Other income:				
Interest received from associate	4,025	200,892	4,159	209,697
Payment for goods and services:				
Payment for services from associate	5,823,580	290,660,701	7,752,959	390,904,193
Reimbursement of expenses	571,893	28,543,752	455,828	22,982,848
Recovery of expenses	1,553	77,512	-	-
Payment for other expenses:				
Interest paid to associate	-		2,800	141,176
Other transactions:				
Loans given to Associates	-		424,940	21,425,475
Repayment of Loans from Associates	385047	19,218,081	545013	27,202,144
Receivable from and payable to related parties The following balances are outstanding at the reporting date in relation to transactions with related parties:				
	2018		2017	2017
	$	INR	$	INR
Current receivables:				
Trade receivables from associate	-		430,714	21,548,621
Current payables:				
Trade payables to associate	798,535	39,950,706	917,842	45,919,635

Note 23. Related party transactions (continued)

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.
Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 24. Events after the reporting period

No matter or circumstance has arisen since 31 March 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 25. Reconciliation of profit after income tax to net cash from operating activities

	2018		2017	
	$	INR	$	INR
Profit after income tax expense for the year	3,396,929	169,544,123	1,900,261	95,811,160
Adjustments for:				
Depreciation and amortisation	-2,905	-144,991	(34,991)	-1,764,246
Change in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables	-2,559,396	-127,742,014	3,182,905	160,482,070
Increase in income tax refund due	-2,550	-127,273	(689,794)	-34,779,413
Decrease/(increase) in deferred tax assets	119,127	5,945,748	(267,223)	-13,473,384
Increase in accrued revenue	-220,954	-11,028,035	(226,807)	-11,435,609
Decrease/(increase) in prepayments	-14,285	-712,979	63,771	3,215,334
Decrease in other operating assets	5,810	289,983	83,710	4,220,658
Decrease in trade and other payables	-164,114	-8,191,094	(1,058,510)	-53,370,074
Increase in provision for income tax	396,556	19,792,507	1,135,908	57,272,481
Increase in employee benefits	24,239	1,209,793	42,000	2,117,640
Decrease in other operating liabilities	-235,824	-11,770,212	(274,552)	-13,842,912
Net cash from operating activities	742,633	37,065,556	3,856,678	194,453,705

Incessant Technologies (Australia) Pty Ltd
Directors' declaration
31 March 2018

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 March 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Glenn Merchant Director	Vijay Madduri Director

27 April 2018
SYDNEY

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