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**NIIT TECHNOLOGIES PTE. LTD.**  
*(Company Registration No. 199503929E)*

Financial Statements For The Year Ended March 31, 2014

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# NIIT Technologies Pte. Ltd.

*(Incorporated in the Republic of Singapore)*

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## Directors

Arvind Thakur

Arvind Mehrotra

Vangal Rangarajan Ranganathan

## Secretary

Vangal Rangarajan Ranganathan

## Registered Office

31 Kaki Bukit Road 3

#05-13 Techlink

Singapore 417818

## Auditors

Natarajan & Swaminathan

Chartered Accountants of Singapore

1 North Bridge Road

#19-04/05 High Street Centre

Singapore 179094

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# NIIT Technologies Pte. Ltd.

## Directors' Report

For the financial year ended March 31, 2014

The directors have pleasure in presenting their report to the members together with the audited financial statements of the Company for the financial year ended March 31, 2014.

### 1 Directors

The directors in office at the date of this report are:-

Arvind Thakur

Arvind Mehrotra

Vangal Rangarajan Ranganathan

### 2 Arrangements to enable directors to acquire shares and debentures

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

### 3 Directors' interest in shares and debentures

The directors holding office at the end of the financial year had no interests in shares, debentures, warrants or share options of the Company as recorded in the Register of Directors' Shareholding kept by the Company under Section 164 of the Singapore Companies Act, except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
<i>Holding company</i> <i>NIIT Technologies Ltd</i> <i>Ordinary shares of Rs 10 each</i>				
Arvind Thakur	572,773	572,773	-	-
Arvind Mehrotra	5,779	3,779	-	-

### 4 Directors' receipt and entitlement to contractual benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, by reason of a contract made by the Company with the director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest, except as disclosed in **Note 18** to the financial statements.

**5 Share options**

No options were granted during the financial year to take up unissued shares of the Company.

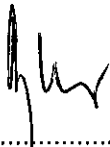
No shares were issued by virtue of the exercise of options.

There were no unissued shares under option at the end of the financial year.

**6 Auditors**

The auditors, Natarajan & Swaminathan, have expressed their willingness to accept re-appointment.

On behalf of the board



.....  
*Arvind Thakur*



.....  
*Arvind Mehrotra*

Date: April 28, 2014

# NIIT Technologies Pte. Ltd.

## Statement of Directors

*For the financial year ended March 31, 2014*

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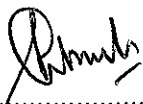
We, Arvind Thakur and Arvind Mehrotra, being the directors of NIIT Technologies Pte. Ltd., do hereby state that, in the opinion of the directors,

- (i) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the results, changes in equity and the cash flows of the Company for the year ended on that date, and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board



.....  
*Arvind Thakur*



.....  
*Arvind Mehrotra*

Date: April 28, 2014

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF NIIT TECHNOLOGIES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

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**Report on the Financial Statements**

We have audited the accompanying financial statements of NIIT TECHNOLOGIES PTE. LTD., which comprise the statement of financial position as at March 31, 2014, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position and to maintain accountability of assets.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF NIIT TECHNOLOGIES PTE. LTD.**  
(Incorporated in the Republic of Singapore)

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

*Opinion*

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the results, changes in equity and cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

  
Natarajan & Swaminathan  
Public Accountants and Chartered Accountants Singapore

Date: April 28, 2014

# NIIT Technologies Pte. Ltd.

## Statement of Financial Position

As at March 31, 2014

	Note	2014	2013
		S\$	S\$
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	3	31,294	19,400
Capitalised software	4	464	5,241
Investment in subsidiaries	5	1,675,102	540,402
Deferred tax asset	6	713,000	479,970
<b>Total non-current assets</b>		<b>2,419,860</b>	<b>1,045,013</b>
<b>Current assets</b>			
Trade receivables	7	3,415,908	6,171,838
Other receivables	8	3,927,047	2,277,672
Cash and bank balances	9	1,378,998	2,010,665
<b>Total current assets</b>		<b>8,721,953</b>	<b>10,460,175</b>
<b>Total assets</b>		<b>11,141,813</b>	<b>11,505,188</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	10	2,989,375	2,989,375
Accumulated profits		4,540,564	5,149,788
General reserve		450,000	450,000
<b>Total equity</b>		<b>7,979,939</b>	<b>8,589,163</b>
<b>Current liabilities</b>			
Trade payables and accruals	11	2,392,527	2,636,014
Other payables	12	306,643	244,737
Deferred revenue		462,704	33,798
Income tax payable		-	1,476
<b>Total current liabilities</b>		<b>3,161,874</b>	<b>2,916,025</b>
<b>Total liabilities</b>		<b>3,161,874</b>	<b>2,916,025</b>
<b>Total equity and liabilities</b>		<b>11,141,813</b>	<b>11,505,188</b>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*



# NIIT Technologies Pte. Ltd.

## Statement of Comprehensive Income

For the financial year ended March 31, 2014

	Note	<u>2014</u>	<u>2013</u>
		S\$	S\$
Revenue	13	10,937,935	12,853,387
Other income	14	215,626	185,478
Software development charges		(774,754)	(1,465,320)
Purchases of hardwares and softwares		(1,558,450)	(1,727,951)
Salaries and employee benefits	15	(7,665,824)	(8,238,428)
Training and recruitment		(36,348)	(69,999)
Rental on operating leases		(262,778)	(249,815)
Foreign currency loss		(130,150)	(60,302)
Travelling expenses		(324,271)	(448,485)
Telecommunication		(203,048)	(158,727)
Depreciation of plant and equipment	3	(19,537)	(12,691)
Amortisation of software		(4,777)	(6,889)
Other operating expenses		(943,837)	(909,003)
<b>Loss before income tax</b>	16	<u>(770,213)</u>	<u>(308,745)</u>
Income tax expense	17	160,989	(5,229)
<b>Loss after income tax</b>		<u>(609,224)</u>	<u>(313,974)</u>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<u><u>(609,224)</u></u>	<u><u>(313,974)</u></u>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*

**NIIT Technologies Pte. Ltd.**  
**Statement of Changes in Equity**

*For the financial year ended March 31, 2014*

	Share capital	Accumulated profits	General reserve	Total
	S\$	S\$	S\$	S\$
Balance as at 01.04.2012	2,989,375	5,463,762	450,000	8,903,137
Total comprehensive loss for the year	-	(313,974)	-	(313,974)
Balance as at 31.03.2013	2,989,375	5,149,788	450,000	8,589,163
Total comprehensive loss for the year	-	(609,224)	-	(609,224)
Balance as at 31.03.2014	2,989,375	4,540,564	450,000	7,979,939

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*

# NIIT Technologies Pte. Ltd.

## Statement of Cash Flows

For the financial year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<b>Cash flows from operating activities</b>		
Loss before income tax	(770,213)	(308,745)
Adjustments for:-		
Interest income	(106,722)	(84,241)
Depreciation of plant and equipment	19,537	12,691
Amortisation of software	4,777	6,889
Operating loss before working capital changes	(852,621)	(373,406)
Trade receivables	2,755,930	1,598,230
Other receivables	(1,643,976)	(429,041)
Trade payables and accruals	(243,487)	(1,232,972)
Other payables	61,906	27,583
Deferred revenue	428,906	(51,725)
Cash generated from/(used in) operations	506,658	(461,331)
Interest received	106,722	84,241
Income tax paid	(78,916)	(98,757)
Net cash from/(used in) operating activities	<u>534,464</u>	<u>(475,847)</u>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(31,431)	(9,141)
Investment in subsidiary	(1,134,700)	-
Net cash used in investing activities	<u>(1,166,131)</u>	<u>(9,141)</u>
<b>Cash flows from financing activities</b>		
Increase in fixed deposits pledged	(24,968)	(101)
Net cash used in financing activities	<u>(24,968)</u>	<u>(101)</u>
<b>Net decrease in cash and cash equivalents</b>	(656,635)	(485,089)
Cash and cash equivalents brought forward	1,730,466	2,215,555
<b>Cash and cash equivalents carried forward</b>	<u><u>1,073,831</u></u>	<u><u>1,730,466</u></u>
Cash and cash equivalents comprise:-		
Cash at banks	1,073,831	1,730,466
	<u><u>1,073,831</u></u>	<u><u>1,730,466</u></u>

*The annexed accounting policies and explanatory notes form an integral part of the financial statements*

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

*For the financial year ended March 31, 2014*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1 Corporate information

The Company (Registration No. 199503929E) is a private limited Company incorporated and domiciled in Singapore.

The registered and administration office of the Company is located at 31 Kaki Bukit Road 3, #05-13 Techlink, Singapore 417818.

The principal activities of the Company are development and distribution of computer software and the provision of consultancy, training and support services.

#### *Holding company*

The Company is a wholly owned subsidiary of NIIT Technologies Ltd, a company incorporated in the Republic of India.

#### *Branch office*

The Company has registered a Branch in Hong Kong and the revenue and expenses of the branch has been incorporated in the financial statements.

#### *Subsidiaries*

Refer to Note 5 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

### 2 Significant accounting policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act, Chapter 50. These financial statements are the separate financial statements of NIIT Technologies Pte. Ltd. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly-owned subsidiary of NIIT Technologies Ltd, a company incorporated in India, which prepares consolidated financial statements available for public use. The registered office of NIIT Technologies Ltd is as follow:

Corporate Heights (Tapasya)  
Plot No. 5, EFGH, Sector 126  
Noida-Greater Noida Expressway,  
Noida – 201301, U.P., India

The financial statements are expressed in Singapore dollars (S\$) and are prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year.

### 2 Significant accounting policies (cont'd)

#### a) Basis of preparation (cont'd)

These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances (refer **Note 2(b)** to the financial statements).

The Company adopted the new or revised FRS that is mandatory for application on that date. This includes the following FRS, which are relevant to the Company as a single entity:

FRS 1 (Amendments) : Presentation of Items of Other Comprehensive Income

FRS 19 : Employee Benefits

FRS 107 (Amendments) : Offsetting of Financial Assets and Financial Liabilities

FRS 113 : Fair Value Measurement

#### *Improvements to FRSs 2012*

FRS 1 (Amendments) : Presentation of Financial Statements

FRS 16 (Amendments) : Property, Plant and Equipment

FRS 32 (Amendments) : Financial Instruments: Presentation

The adoption of these does not result in any significant changes to the Company's accounting policies or have any significant impact on the financial statements.

#### b) Critical judgements in applying the entity's accounting policies

In the process of applying the entity's accounting policies, management is of the opinion that there are no critical judgements (other than those involving estimates) that have significant effect on the amounts recognised in the financial statements.

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Allowance for trade and other receivables

The provision policy for doubtful debts of the Company is based on the ongoing evaluation of collectability and aging analysis of the outstanding receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Company were to deteriorate, resulting in an impairment of their ability to make payments, allowances would be made.

#### c) Foreign currency transactions

##### *(i) Functional currency*

The functional currency of the Company is Singapore dollars, being the primary currency in which the Company transacts its sales and purchases.

### 2 Significant accounting policies (cont'd)

#### c) Foreign currency transactions (cont'd)

##### (ii) Transactions and balances

Transactions in currencies other than in Singapore dollars are recorded at the rates of exchange prevailing on the date of transaction. At each statement of financial position date, recorded monetary balances that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date.

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

#### d) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the profit or loss. When assets are sold or retired, their cost and accumulated depreciation and impairment loss are removed from the financial statements and any gain or loss resulting from their disposal is included in the profit or loss.

#### e) Depreciation of plant and equipment

Depreciation is calculated on a straight-line method to write off the cost of the plant and equipment over their estimated useful lives as follow:-

Furniture & fittings	- 3-5 years
Office equipment	- 3 years
Computer equipment	- 1-3 years

Fully depreciated assets still in use are retained in the financial statements.

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the profit or loss when the changes arise.

#### f) Capitalised software

Capitalised software is stated at cost less accumulated amortisation and accumulated impairment loss, if any.

Amortisation is calculated so as to write off the cost of the capitalised software over the estimated useful life of 5 years from the date of purchase.

#### g) Investment in subsidiaries

Subsidiaries are entities over which the Company has power to govern the financial and operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in the subsidiaries are carried at cost less accumulated impairment loss in the Company's statement of financial position.

**2 Significant accounting policies (cont'd)****g) Investment in subsidiaries (cont'd)**

On disposal of investments in subsidiaries, the differences between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

**h) Impairment of non-financial assets**

At each statement of financial position date, the Company reviews the carrying amounts of its plant and equipment, capitalised software and investment in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**i) Financial instruments**

Financial instruments comprise financial assets and liabilities and they are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial instruments "at fair value through profit or loss".

### 2 Significant accounting policies (cont'd)

#### i) Financial instruments (cont'd)

##### Financial assets

Financial assets are classified as one of the financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate.

##### Recognition

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not measured at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets at the time of initial recognition, and where allowed and appropriate, re-evaluates this designation at each financial year end.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned.

As of year end the Company has the following classes of financial assets:-

##### - *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as "trade and other receivables" and "cash and bank balances" on the statement of financial position. They are presented as current assets, except for those maturing 12 months after the financial position date, which are presented as non-current assets. Loans and receivables are measured at amortised cost using the effective interest method less impairment losses. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process. For short term receivables the nominal cost would approximate the fair value.

Unbilled receivables are stated based on revenue recognised using the percentage completion method for uncompleted projects. Costs include sub-contractor fees and salaries directly attributable to project activities. When it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately in profit or loss.

##### Impairment

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.



### 2 Significant accounting policies (cont'd)

#### i) Financial instruments (cont'd)

##### Impairment (cont'd)

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if any, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

##### Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

##### Financial liabilities

Financial liabilities include trade payables on normal trade terms, other payables and interest-bearing loans and borrowings.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis. For short term payables the cost approximates the fair value.

Interest-bearing bank loans and overdraft are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for finance costs.

### 2 Significant accounting policies (cont'd)

#### i) Financial instruments (cont'd)

##### Financial liabilities (cont'd)

Financial liabilities are derecognised when the obligation under the liabilities are discharged, cancelled or expire.

#### j) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of unpledged fixed deposits, cash at banks and cash in hand.

#### k) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

#### l) Related companies

Related companies refer to members of the holding company's group of companies.

#### m) Related parties

Related parties are entities with common director or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decision. Related parties may be individuals or entities.

#### n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of value added tax, rebates, discounts and sales returns.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:-

##### *i) Revenue from rendering of services*

Revenue from rendering of services is recognised when the services is rendered or percentage of completion method depending on the contractual agreement. The percentage of completion method is calculated as the proportion of costs incurred to date to the estimated total costs for the project.

##### *ii) Interest income*

Interest income is recognised using the effective interest method.

##### *iii) Government grant*

Government grant is recognised upon receipt basis.

#### o) Employee benefits

##### *Retirement benefit costs*

As required by law, the Company makes contributions to the Central Provident Fund (CPF), a defined contribution plan regulated and managed by the Government of Singapore. CPF contributions are recognised as expense in the same year to which the contribution relates.

### 2 Significant accounting policies (cont'd)

#### o) Employee benefits (cont'd)

Employee entitlements to annual leave are recognised when they accrue to the employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by the employees up to the statement of financial position date.

A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

#### *Key management personnel*

Directors and certain managers that have the authority and responsibility for planning, directing and controlling the activities of the Company are considered key management personnel.

#### p) Operating lease

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term.

#### q) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### r) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using statutory tax rate at the statement of financial position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 2 Significant accounting policies (cont'd)

#### r) Income tax (cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset, realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt, within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on net basis.

### 3 Plant and equipment

<u>2014</u>	Furniture & fittings	Office equipment	Computer equipment	Total
	S\$	S\$	S\$	S\$
<b>Cost</b>				
At April 1, 2013	327,865	7,620	51,172	386,657
Addition	1,599	-	29,832	31,431
At March 31, 2014	329,464	7,620	81,004	418,088
<b>Depreciation</b>				
At April 1, 2013	325,926	7,620	33,711	367,257
Charge for the year	1,573	-	17,964	19,537
At March 31, 2014	327,499	7,620	51,675	386,794
<b>Net book value</b>				
At March 31, 2014	1,965	-	29,329	31,294
<u>2013</u>	Furniture & fittings	Office equipment	Computer equipment	Total
	S\$	S\$	S\$	S\$
<b>Cost</b>				
At April 1, 2012	327,865	7,620	42,031	377,516
Addition	-	-	9,141	9,141
At March 31, 2013	327,865	7,620	51,172	386,657
<b>Depreciation</b>				
At April 1, 2012	324,798	6,739	23,029	354,566
Charge for the year	1,128	881	10,682	12,691
At March 31, 2013	325,926	7,620	33,711	367,257
<b>Net book value</b>				
At March 31, 2013	1,939	-	17,461	19,400

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 4 Capitalised software

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Cost	29,708	29,708
	<u>29,708</u>	<u>29,708</u>
Less : Accumulated amortisation		
Balance brought forward	24,467	17,578
Amortised during the year	4,777	6,889
Balance carried forward	<u>29,244</u>	<u>24,467</u>
Net book value	<u>464</u>	<u>5,241</u>

### 5 Investment in subsidiaries

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Unquoted equity shares, at cost	<u>1,675,102</u>	<u>540,402</u>

#### Details of the subsidiaries:-

<u>Name of subsidiaries</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Percentage of equity held</u>		<u>Cost</u>	
			<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
			%	%	S\$	S\$
NIIT Technologies Ltd (*)	Thailand	Distribution of computer software and the provision of consultancy, training and support services	99.98	99.98	539,333	539,333
NIIT Technologies Pty Ltd (*)	Australia	Distribution of computer software and the provision of consultancy, training and support services	100	100	<u>1,135,769</u>	<u>1,069</u>
					<u>1,675,102</u>	<u>540,402</u>

(\*) Audited by another firm of auditors.

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 6 Deferred tax asset

The movement in the deferred tax asset is as follows:

	Accelerated tax depreciation	Unutilised tax loss and capital allowance	Provision for leave and other items	Total
	S\$	S\$	S\$	S\$
At April 1, 2012				
Prior year under provision	18,777	307,603	87,586	413,966
Prior year over provision	(1,152)	(16,718)	-	(17,870)
Credit to profit or loss	3,329	73,543	7,002	83,874
At March 31, 2013	<b>20,954</b>	<b>364,428</b>	<b>94,588</b>	<b>479,970</b>
Prior year (over)/under provision	(5,580)	55,443	(7,443)	42,420
Credit to profit or loss	4,134	199,832	(13,356)	190,610
At March 31, 2014	<b>19,508</b>	<b>619,703</b>	<b>73,789</b>	<b>713,000</b>

### 7 Trade receivables

	2014	2013
	S\$	S\$
Outside parties	3,128,638	5,195,376
Less: Allowance for doubtful debts		
- Balance at beginning of year	20,271	4,221
- Charge for the year	73,352	16,050
- Balance at end of year	93,623	20,271
	3,035,015	5,175,105
Subsidiaries	55,113	193,503
Related parties	91,835	51,514
Unbilled receivables	233,945	751,716
	<b>3,415,908</b>	<b>6,171,838</b>

The average credit period for services rendered is 45 days to 60 days (2013:45 days to 60 days).

The table below is an analysis of trade receivables aging as at March 31:

	2014	2013
	S\$	S\$
Not past due	1,576,450	1,641,153
Past due 1 to 45 days	1,083,608	868,395
Past due 46 to 365 days	356,022	2,480,459
Past due more than 365 days	165,883	430,115
Unbilled receivables	233,945	751,716
	<b>3,415,908</b>	<b>6,171,838</b>

The Company has not made any allowance on all these receivables as the directors are of the view that all the receivables are recoverable.

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 7 Trade receivables (cont'd)

The trade receivables that are not denominated in Singapore dollars are as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Hong Kong Dollars	1,623,179	3,100,653
United States Dollars	297,260	603,382

### 8 Other receivables

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Holding company - other advance	5,382	5,382
Subsidiary		
- Loan	1,575,315	2,003,134
- Other advance	25,626	-
Related company		
- Loan	2,100,000	-
- Other advance	37,529	-
Advance to employees	86,635	105,601
Interest receivables	662	951
Deposits	80,531	74,122
Prepaid expenses	9,968	88,482
Income tax recoverable	5,399	-
	<u>3,927,047</u>	<u>2,277,672</u>

The amounts due from subsidiary and related company are unsecured, interest free and repayable on demand, except for loan to a subsidiary that bears interest of 4.5% (2013:4.5%) per annum for Australian dollars loan of S\$1,575,315 (2013:S\$2,003,134) and loan to a related company that bears an interest of 3% per annum for Singapore dollars loan of S\$2,100,000.

The other receivables that are not denominated in Singapore dollars are as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Australian Dollars	1,603,401	2,003,134
Hong Kong Dollars	25,974	40,587

### 9 Cash and bank balances

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Fixed deposits	305,167	280,199
Cash at banks	1,073,831	1,730,466
	<u>1,378,998</u>	<u>2,010,665</u>

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 9 Cash and bank balances (cont'd)

Fixed deposit interest rate as at year end is about 0.65% (2013:0.65%) per annum.

The fixed deposits maturity from year end is between 2 months to 11 months (2013:2 months to 11 months).

Fixed deposits are pledged to the bank for bankers' guarantee given to the Company. Refer Note 20 to the financial statements.

The cash and bank balances that are not denominated in Singapore dollars are as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Hong Kong Dollars	515,664	1,158,693
United States Dollars	81,847	279,047

### 10 Share capital

	<u>2014</u>	<u>2014</u>	<u>2013</u>	<u>2013</u>
	No. of shares issued	S\$	No. of shares issued	S\$
Ordinary shares issued and fully paid				
Balance at beginning and end of year	<u>2,989,375</u>	<u>2,989,375</u>	<u>2,989,375</u>	<u>2,989,375</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

### 11 Trade payables and accruals

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Trade payables:		
- Outside parties	420,936	371,131
- Holding company	589,877	588,101
- Subsidiary	2,390	40,737
- Related companies	158,082	69,804
- Related parties	40,236	25,189
Provision for unutilised leave (#)	286,937	261,877
GST payable	72,891	69,017
Accrued operating expenses	821,178	1,210,158
	<u>2,392,527</u>	<u>2,636,014</u>

The credit term for goods purchased is about 30 days (2013:30 days).



# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 11 Trade payables and accruals (cont'd)

(#) Provision for unutilised leave movements are as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Balance at beginning of year	261,877	325,373
Charge during the year	37,750	-
Utilised during the year	(12,690)	(3,496)
Amount written back during the year	-	(60,000)
Balance at end of year	<u>286,937</u>	<u>261,877</u>

The trade payables and accruals that are not denominated in Singapore dollars are as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Australian Dollars	-	43,406
Great Britain Pounds	-	104,981
Hong Kong Dollars	133,405	53,682
United States Dollars	<u>425,041</u>	<u>384,750</u>

### 12 Other payables

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Sundry payables	<u>306,643</u>	<u>244,737</u>

### 13 Revenue

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Services rendered	<u>10,937,935</u>	<u>12,853,387</u>

### 14 Other income

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Interest income from banks	2,829	395
Interest income from subsidiaries and related parties	103,893	83,846
Government grant - wage credit scheme	16,673	-
Miscellaneous income	92,231	101,237
	<u>215,626</u>	<u>185,478</u>

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 15 Salaries and employee benefits

Salaries and employee benefits for the financial year ended March 31;

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Salaries and wages	7,160,874	7,843,600
CPF contributions (defined)	254,473	267,061
Staff welfare	250,477	127,767
	<u>7,665,824</u>	<u>8,238,428</u>

#### Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Salaries and other employee benefits	<u>405,349</u>	<u>397,590</u>

### 16 Loss before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the income statement, this item includes the following charges/(credits):

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Allowance for doubtful debts - trade (outside parties)	73,352	16,050
Rental on operating lease:		
- Gross	327,818	378,942
- Recoveries from employees	(65,040)	(129,127)

### 17 Income tax expense

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Current year	-	-
Deferred tax:		
- Prior year (over)/under provision	(42,420)	17,870
- Credit for the year	(190,610)	(83,874)
	<u>(233,030)</u>	<u>(66,004)</u>
Foreign tax paid	72,041	71,233
	<u>(160,989)</u>	<u>5,229</u>

# NIIT Technologies Pte. Ltd.

## Notes to the Financial Statements

For the financial year ended March 31, 2014

### 17 Income tax expense (cont'd)

No provision for income tax has been made for the 2014 and 2013 in view of the losses incurred.

As at statement of financial position date, the Company had unutilised tax losses and capital allowances of approximately S\$3,600,000 (2013:S\$2,400,000) which are available for set off against the future taxable profits, subject to compliance with Section 37 of the Income Tax Act, Cap.134 and agreement by the Comptroller of Income Tax.

### 18 Holding company, related companies and parties transactions

Some of the Company's transactions and arrangement are with holding company, subsidiaries, related companies and related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances with these parties are unsecured, interest free and repayable on demand unless otherwise stated.

During the year, the Company entered into the following trading transactions:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<i>Holding company</i>		
Offshore software development charges paid	716,598	1,395,516
Management fees paid	78,537	92,203
Other costs paid	16,868	61,414
Other income	-	923
	<u>          </u>	<u>          </u>
<i>Subsidiaries</i>		
Professional services recovered	55,005	50,022
Interest income on loan	66,364	82,926
Other costs recovered	146,885	198,893
	<u>          </u>	<u>          </u>
<i>Related companies</i>		
Revenue	90,147	-
Interest income on loan	37,528	920
Offshore software development charges paid	58,156	69,804
Other costs recovered	-	22,844
Purchase of hardwares and software (expense)	335,847	24,798
	<u>          </u>	<u>          </u>
<i>Related parties</i>		
Professional services recovered	37,225	46,216
Professional services (expense)	39,578	-
Other costs recovered	-	71,266
	<u>          </u>	<u>          </u>

**19 Operating lease commitments**

As at statement of financial position date, the commitments in respect of operating leases were follows:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<i>Rental expense</i>		
Within 1 year	194,135	224,629
Within 2 to 5 years	23,133	155,486
	<u>217,268</u>	<u>380,115</u>

**20 Other commitments**

	<u>2014</u>	<u>2013</u>
	S\$	S\$
Bankers guarantee	<u>142,539</u>	<u>630,671</u>

The bankers' guarantee is secured by the pledge of the Company's fixed deposits.

The directors do not foresee crystallisation of these guarantees in the foreseeable future.

**21 Financial instruments, financial and capital risk management****(a) Categories of financial instruments**

The following table sets out the financial instruments as at the statement of financial position date:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<b>Financial assets</b>		
Loans and receivables	<u>8,679,337</u>	<u>10,371,693</u>

Loans and receivables under financial assets comprise trade receivables, other receivables and cash and bank balances.

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<b>Financial liabilities</b>		
Amortised cost	<u>2,412,233</u>	<u>2,618,874</u>

Amortised cost under financial liabilities comprises trade payables and accruals and other payables.

### 21 Financial instruments, financial and capital risk management *(cont'd)*

#### (b) Fair value measurements

FRS 107 requires disclosure of the fair value measurements by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The financial assets and liabilities of the Company comprise trade and other receivables, cash and bank balances and trade and other payables. The carrying values of the financial assets and liabilities as shown in the statement of financial position approximate their fair value amounts at the statement of financial position date. The carrying values of these assets and liabilities are the nominal or cost values.

#### (c) Financial risk

The management reviews and agrees policies for managing risk with a view to minimize potential adverse effects of financial performance of the Company. Each of these risks are summarised below:

##### *Interest rate risk*

The Company has no significant exposure to market risk for changes in interest rates because it has no interest bearing borrowings from any external sources. The Company has interest bearing fixed deposits. However with the current interest rate level, any variation in the interest rates will not have a material impact on the net income of the Company. The Company has loans receivable from subsidiaries and related parties that bear a fixed rate of interest. Thus the Company has no significant risk of any changes in the interest rate.

##### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company has no significant liquidity risk as it maintains a level of cash and cash equivalents that is sufficient for working capital purpose.

### 21 Financial instruments, financial and capital risk management (cont'd)

#### (c) Financial risk (cont'd)

##### *Liquidity risk (cont'd)*

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Carrying amount	Cash flows		
		Contractual cash flow	Less than 1 year	Within 2 to 5 years
	S\$	S\$	S\$	S\$
<u>2014</u>				
Non-derivative financial liabilities				
Trade and other payables	2,412,233	(2,412,233)	(2,412,233)	-
<u>2013</u>				
Non-derivative financial liabilities				
Trade and other payables	2,618,874	(2,618,874)	(2,618,874)	-

##### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss of the Company. The Company has adopted a policy of only dealing with creditworthy counterparties.

The Company's trade receivables of outside parties comprise of a couple of customers' balance that comprise 45% (2013:57%) of the total outside parties' trade and unbilled receivables. Except for the receivables from these customers, the other customers' balances are spread across various parties. The management does not foresee any risk of default by these parties as they are creditworthy customers. Further details of credit risks on trade receivables are disclosed in **Note 7** to the financial statements.

Cash at banks are placed with credit worthy financial institutions.

The carrying amounts of the Company's trade receivables, other receivables, fixed deposits and cash at banks represent the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

##### *Foreign currency risk*

The Company is exposed to foreign exchange risk arising from its consultancy services rendered or purchases that are mainly invoiced in Hong Kong dollars and United States dollars. The management monitors closely these foreign currency debtors and creditors and recovers or pays the amount at the earliest to minimise the foreign exchange risk.

As at financial year end, the carrying value of the monetary assets and liabilities denominated in currencies other than in Singapore dollars are disclosed in the respective notes to the financial statements.

### 21 Financial instruments, financial and capital risk management (cont'd)

#### (c) Financial risk (cont'd)

##### *Foreign currency risk (cont'd)*

##### Foreign currency sensitivity analysis

Any increase or decrease in the following foreign currencies will have an impact on the financial statements:

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<i>Increase in the rate of the foreign currencies by 10% against Singapore dollar will increase/(decrease) profit before tax by the following amount:</i>		
Australian Dollars	160,000	196,000
Great Britain Pounds	-	(10,000)
Hong Kong Dollars	203,000	425,000
United States Dollars	<u>(5,000)</u>	<u>50,000</u>

*A corresponding decrease in the rate of foreign currency against Singapore dollars will decrease the profit before tax by the same amount.*

The effect of fluctuation in the other foreign currencies will have no or very minimal impact on the results of the Company.

##### *Price risk*

The Company has no significant exposure to price risk.

#### (d) Capital risk management

The management considers the capital of the Company to mainly consist of share holders' equity.

The management manages the capital to ensure the Company will be able to continue as a going concern while maximizing the return to shareholders through optimization of the capital.

As part of the management's review of the capital structure, the management considers the cost of capital and the risks associated with each class of capital. The management will balance its overall capital structure through the payment of dividends, new issue of shares, obtaining new loans or repayment of loans.

The management's overall strategy remains unchanged from 2013.

### 22 New accounting standards and FRS interpretations

At the date of authorisation of these financial statements, the following FRS and INT FRS that are relevant to the Company were issued and not effective:

**22 New accounting standards and FRS interpretations (cont'd)**

	<u>Effective from annual periods beginning on or after</u>
FRS 19 (Amendments) : Defined Benefit Plans - Employee Contributions	July 1, 2014
FRS 32 (Amendments) : Offsetting Financial Assets and Financial Liabilities	January 1, 2014
FRS 36 (Amendments) : Recoverable Amount Disclosures for Non-Financial Assets	January 1, 2014
<i>Improvements to FRSs</i>	
FRS 16 (Amendments) : Property, Plant and Equipment	July 1, 2014
FRS 24 (Amendments) : Related Party Disclosures	July 1, 2014
FRS 38 (Amendments) : Intangible Assets	July 1, 2014
FRS 40 (Amendments) : Investment Property	July 1, 2014
FRS 113 (Amendments) : Fair Value Measurement	July 1, 2014

The management anticipates that the adoption of the above FRS and INT FRS does not result in any significant changes to the Company's accounting policies or have any significant impact on the financial statements of the Company.

**23 Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the directors on April 28, 2014.



*NIIT Technologies Pte. Ltd.*

*The Accompanying Supplementary Detailed Income Statement*

*Has Been Prepared For Management Purposes Only And*

*Does Not Form Part Of The Audited Financial Statements*

# NIIT Technologies Pte. Ltd.

## Detailed Income Statement

For the financial year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<b>Revenue</b>		
Services rendered	<u>10,937,935</u>	<u>12,853,387</u>
<b>Other income</b>		
Interest income from banks	2,829	395
Interest income from subsidiaries and related parties	103,893	83,846
Government grant - wage credit scheme	16,673	-
Miscellaneous income	<u>92,231</u>	<u>101,237</u>
	<u>215,626</u>	<u>185,478</u>
<b>Software development charges</b>	<u>(774,754)</u>	<u>(1,465,320)</u>
<b>Purchases of hardwares and softwares</b>	<u>(1,558,450)</u>	<u>(1,727,951)</u>
<b>Salaries and employee benefits</b>		
Salaries and wages	(7,160,874)	(7,843,600)
CPF contributions (defined)	(254,473)	(267,061)
Staff welfare	<u>(250,477)</u>	<u>(127,767)</u>
	<u>(7,665,824)</u>	<u>(8,238,428)</u>
<b>Training and recruitment</b>	<u>(36,348)</u>	<u>(69,999)</u>
<b>Rental on operating leases</b>	<u>(262,778)</u>	<u>(249,815)</u>
<b>Foreign currency loss</b>	<u>(130,150)</u>	<u>(60,302)</u>
<b>Travelling expenses</b>	<u>(324,271)</u>	<u>(448,485)</u>
<b>Telecommunication</b>	<u>(203,048)</u>	<u>(158,727)</u>
<b>Depreciation of plant and equipment</b>	<u>(19,537)</u>	<u>(12,691)</u>
<b>Amortisation of software</b>	<u>(4,777)</u>	<u>(6,889)</u>
<b>Other operating expenses</b>		
Audit fee	(26,100)	(26,700)
Allowance for doubtful debts - trade (outside parties)	(73,352)	(16,050)
Bank and financial expenses	(29,282)	(45,667)
Brokerage charges	(21,784)	(17,723)
Business promotion	(110,022)	(181,734)
Conveyance	(111,417)	(111,196)
Insurance expenses	(41,157)	(52,525)
Management services	(78,537)	(92,203)
Miscellaneous expenses	<u>(152,199)</u>	<u>(109,136)</u>

... Cont'd

# NIIT Technologies Pte. Ltd.

## Detailed Income Statement

For the financial year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
	S\$	S\$
<b>Other operating expenses (cont'd)</b>		
Postal and courier charges	(10,598)	(9,335)
Printing and stationery	(20,139)	(18,881)
Professional and legal expenses	(178,623)	(155,131)
Repairs and maintenance	(39,534)	(33,088)
Subscription and membership fee	(14,087)	(6,598)
Utility charges	(37,006)	(33,036)
	<u>(943,837)</u>	<u>(909,003)</u>
<b>Loss before income tax</b>	(770,213)	(308,745)
<b>Income tax expense</b>		
- Current year	-	-
- Deferred tax credit	233,030	66,004
- Foreign tax paid	(72,041)	(71,233)
	<u>(609,224)</u>	<u>(313,974)</u>
<b>Loss after income tax</b>	(609,224)	(313,974)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<u>(609,224)</u>	<u>(313,974)</u>

Not Part Of Audited Financial Statements