

**Registered Number: 2503575**

NIIT Insurance Technologies Limited

Annual Report and Financial Statements  
For the year ended 31 March 2020

# NIIT Insurance Technologies Limited

## Annual Report and Financial Statements for the year ended 31 March 2020

### Contents

	<b>Page</b>
Directors and Advisors	1
Strategic Report	2
Directors' Report for the year ended 31 March 2020	4
Independent Auditors' Report to the Members of NIIT Insurance Technologies Limited	8
Statement of Comprehensive Income for the year ended 31 March 2020	11
Statement of Financial Position as at 31 March 2020	12
Statement of Changes in Equity as at 31 March 2020	13
Notes to the Financial Statements for the year ended 31 March 2020	14

# **NIIT Insurance Technologies Limited**

## **Director and Advisors**

### **Director**

Arunbir Singh Soin

### **Company secretary**

Abogado Nominees Limited

### **Registered office**

100 New Bridge Street  
London  
EC4V 6JA

### **Registered number**

2503575

### **Independent auditors**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

### **Bankers**

Natwest Bank  
Reading Market Place  
13 Market Place  
Reading Berks  
RG1 2EG

### **Business address**

2<sup>nd</sup> Floor  
47 Mark Lane  
London  
EC3R 7QQ

# NIIT Insurance Technologies Limited

## Strategic report for the year ended 31 March 2020

The director presents his strategic report for the year ended 31 March 2020.

### Principal activities

The principal activity of the Company is the provision of software and services to the London and International Insurance Markets.

### Business review and future developments

The results for the Company show a profit on ordinary activities before taxation of £8.7m (2019: £4.7m) for the year and turnover of £26.1m (31 March 2019: £21.3m), hence delivering a growth of 85.8% on profit before tax and 22.6% on turnover. The Company has net assets of £9.3m (2019: £6.7m).

Our growth during the year was fuelled by increasing demand for advanced underwriting decision support systems and as such we saw strong demand for our Underwriting, Exact and Exact Max - our new Exposure Management product designed for the reinsurer. The pressure to deliver data driven underwriting across the market continues and this is reflected in strong demand for our products, and our Exact Max product has been particularly popular due to its ability to scale to the need of the Treaty Reinsurers. Despite the huge disruption and challenging times that current COVID-19 pandemic has inflicted, we are still seeing strong demand for our products and expect that to continue due to the nature and benefit of our software IP for the industry.

Interim dividend has been paid during the year of £4.5m at the rate of £3.584 per share (2019: £3.0m). The director does not recommend payment of a final dividend (2019: Nil).

### Key performance indicators (KPIs)

	2020 £000	2020 INR 000	2019 £000	2019 INR 000	Change %
1. Turnover	26,082	2,349,467	21,282	1,948,818	22.6
2. Profit before tax	8,681	781,984	4,672	427,821	85.8
3. Shareholder funds	9,254	868,673	6,738	608,848	37.3
4. Employees	54	54	53	53	1.9

Turnover represents the revenues derived from software product licence sales, configuration and related software product support services, The Company's turnover increased by 22.6% as a result of strong demand of our underwriting and exposure management products which has resulted in a profit before tax of £ 8,681,503 for the year. Good product Licence sales combined with marginal increase of operating costs resulted in the profit before tax growth of 85.6%.

### Principal risks and uncertainties facing the Company

In December 2019 there was an outbreak of Covid-19, or coronavirus, which the World Health Organization declared a pandemic on 11 March 2020.

The full impact of the Covid-19 pandemic on the insurance and reinsurance industry is still being assessed, but it is highly likely that it will be one of the largest, if not the largest event in insurance history. The Company is not in the space of Life and Annuity products and does not foresee substantial impact and the demand is still strong. In addition, the current expectation is that, in the medium -to-long term, technology will play an even bigger role in the industry's future as it will likely invest more in digital transformations to increase automation and resilience.

Given the nature of our business of providing critical software and services to the insurance sector, the circumstances resulting from Covid-19 are not expected to have a significant impact on the trading performance in the first and second quarter of the next year to 31 March 2021. The company

# NIIT Insurance Technologies Limited

## Strategic report for the year ended 31 March 2020 (continued)

does not anticipate any drop in revenue, however on a conservative basis, we have considered an increase of 9% to previous year in the worst-case scenario. This is a 10% decline in revenues compared to our pre Covid-19 forecast.

We have taken steps to reduce outgoings and to utilise various Government tax payment extensions, where appropriate. We are taking the advantage of deferring VAT payment for the period April -June 2020 until March 2021, and staff variable compensation payments due in May 2020 to July 2020. We are not currently taking part in the Government's furlough scheme. Our business continues to service customers and we have shifted our business model to working from home during the Government imposed lockdown.

The Company services customers mainly in the UK, and also Europe and the USA. Our service delivery has not been impacted by Covid-19 as all our staff members have switched to a work from home environment with no change in headcount.

Based on our review of the ongoing projects, under worst case scenario, we have considered a revenue increase of 9% to previous year and decline of profit before tax of 9% to previous year. Under this scenario the company is expecting to generate an increase in operating cash flow in the year to 31 March 2021, compared to actual of £2.3m in the year to 31 March 2020.

On behalf of the Board

Arunbir Singh Soin  
**Director**  
4 May 2020

# NIIT Insurance Technologies Limited

## Directors' Report for the year ended 31 March 2020

The director presents his report and the audited financial statements of NIIT Insurance Technologies Limited ('the Company') for the year ended 31 March 2020.

### Future Outlook and Going Concern

In assessing whether the financial statements for the Company should be prepared on the going concern basis, the director has considered the future outlook of the Company. The director has considered the future operating profits, cash flows and facilities available.

No immediate impact of Covid-19 is anticipated and the Company has taken immediate steps to reorganise our operations to continue to serve our customers and protect the financial resources of the Company.

The Company had £2.5m of cash available on its balance sheet at 31 March 2020. The cash balance has increased by £1.2m and stands at £3.7m as at 30 April 2020. The Company has net current assets of £7.8m and positive shareholder's funds of £9.2m as at 31 March 2020.

Based on the negotiations with the main customers and review of the ongoing IT projects and our pipeline, the Company has prepared a trading forecast based on the worst-case scenario to account for Covid-19 outbreak. The forecast shows a revenue increase of 9% to previous year and decline of profit before tax of 9% to previous year. Under this scenario the Company is expected to generate positive operating cash flow for the year ending 31 March 2021. The main assumptions used in the model are as follows:

- Minimal impact of 10% decline (compared to pre Covid-19 forecast) in revenues to business due to its licenced software IP assets and long-term Software contracts (critical for customers' systems);
- The stickiness of our IP software assets in customer organisations and length of licence, the reliance of customer organisations on their core operational software platforms, and the time and cost to replace, do not warrant any lower revenue estimates;
- Deferral of VAT payment for the period April -June 2020 until March 2021 and staff variable compensation payments due in May 2020 to July2020;
- No changes in the headcount;
- Minimal delay in collections of customer payments, as per current experience;
- No external or parent company financing is required.

The Company's three year forward scenario, which takes into consideration the current environment and worst-case potential impact of Covid-19, shows that we are expected to remain profitable and generate positive cash flows for the foreseeable future. As a result, the director has prepared these financial statements on a going concern basis.

**Financial risk management** (other than covered by Principal risks and uncertainties facing the Company section of the Strategic Report on page 2 and 3)

The Company's operations expose it to a variety of limited financial risks including the effects of changes in interest rates on foreign currency exchange rates, credit risk and liquidity risk.

The Company does not use derivative instruments to manage these exposures.

The Company's principal financial instruments comprise sterling bank deposits together with trade receivables and trade payables that arise directly from its operations.

# NIIT Insurance Technologies Limited

## Directors' Report for the year ended 31 March 2020 (continued)

The main risks arising from the Company's financial instruments can be analysed as follows:

### ***Price risk***

Due to the nature of its business, the Company is not exposed to any major price risks. Due consideration is given for annual salary increases in line with the growth in business in terms of both price and volumes inter dependent on contract negotiations.

### ***Credit risk***

The Company's principal financial assets are bank balances and trade receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The Company's credit risk is primarily attributable to its trade receivables. This risk is not felt to be significant as the market place which it addresses consists of blue chip insurance companies and Lloyd's Syndicates.

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

### ***Liquidity risk***

The Company has adequate capital to support its working capital requirements. Proactive receivables management results in prompt collections. Management continue to focus on this area.

### ***Foreign Exchange risk***

A proportion of the Company's trading is conducted in Euros and US Dollars. However, any exposure to foreign exchange risk is in the normal course of business and is deemed to be immaterial.

### ***Interest rate and cash flow risk***

The Company's favourable liquidity situation did not warrant any significant borrowing in the current year. Policies in this regard will be in review regularly by the Directors.

The Company's proactive collection initiatives ensure that it can meet its commitments.

### **Qualifying third party indemnity provision**

The Company has a Directors and Officers Liability insurance policy. This is in force at the date of the statement of financial position and also at the date of signing of the financial statements.

### **Research and development**

During the reporting period, the Company has invested heavily in the research and development of novel software systems, that look to improve and streamline the overall commercial insurance practices being followed in the financial services industry.

Significant time was spent on the development of a new commercial insurance underwriting system, intended to automate the existing insurance generation process, right from receiving the insurance request to producing the insurance quote. Achieving this capability has required the development teams to carry out a considerable amount of research and experimentation, including activities such as integrating multiple third-party machine learning tools with the incumbent workflow systems.

The Company continues to invest in research and development by creating new and enhanced products to help improve business efficiency and forecasting for the insurance market.

# NIIT Insurance Technologies Limited

## Directors' Report for the year ended 31 March 2020 (continued)

### Director

The current director of the Company is set out on page 1. All of the directors serving during the year and up to the date of signing the financial statements are listed below:

Arunbir Singh Soin

### Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

At the date of approving this report, the Company's director, as set out on page 1, confirms the following:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent auditors

The auditors, Ernst & Young LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Board Meeting.

# **NIIT Insurance Technologies Limited**

## **Directors' Report for the year ended 31 March 2020 (continued)**

### **Post Statement of Financial Position Events**

There have been no significant events affecting the Company since the year end.

Approved on behalf of the Board of Directors

Arunbir Singh Soin  
**Director**  
4 May 2020

# Independent Auditors' Report to the Members of NIIT Insurance Technologies Limited

## Opinion

We have audited the financial statements of NIIT Insurance Technologies Limited for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 23, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

## Emphasis of matter – Effects of COVID-19

We draw attention to Note 3 of the financial statements, which describes the economic and social consequences the company is facing as a result of COVID-19 which could impact customer demand. Our opinion is not modified in respect of this matter.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **Independent Auditors' Report to the Members of NIIT Insurance Technologies Limited (continued)**

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# **Independent Auditors' Report to the Members of NIIT Insurance Technologies Limited (continued)**

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Naresh Alimchandani (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
4 May 2020

# NIIT Insurance Technologies Limited

## Statement of Comprehensive Income for the year ended 31 March 2020

		2020	2020	2019	2019
	Note	£	INR	£	INR
<b>Turnover</b>	4	26,082,401	2,349,502,682	21,281,855	1,948,804,823
Cost of sales		(532,787)	(47,993,453)	(334,210)	(30,604,008)
Gross profit		25,549,614	2,301,509,229	20,947,645	1,918,200,815
Administrative expenses		(16,877,270)	(1,520,304,482)	(16,280,773)	(1,490,849,785)
<b>Operating profit</b>	5	8,672,344	781,204,748	4,666,872	427,351,030
Interest receivable and similar income	6	9,159	825,043	5,151	471,683
<b>Profit on ordinary activities before taxation</b>	7	8,681,503	782,029,790	4,672,023	427,822,714
Tax on profit on ordinary activities	7	(1,665,449)	(150,023,646)	(845,570)	(77,429,853)
<b>Profit for the financial year</b>	19	7,016,054	632,006,144	3,826,453	350,392,861
<b>Total comprehensive income for the reporting period</b>	19	7,016,054	632,006,144	3,826,453	350,392,861

# NIIT Insurance Technologies Limited

## Statement of Financial Position as at 31 March 2020

		2020	2020	2019	2019
	Note	£	INR	£	INR
<b>Fixed assets</b>					
Intangible assets	12	1,364,203	128,057,736	2,298,124	207,659,174
Tangible assets	13	397,408	37,304,689	236,015	21,326,386
		1,761,611	165,362,425	2,534,139	228,985,560
<b>Current assets</b>					
Debtors:					
amounts falling due within a year	14	10,190,582	956,589,932	5,840,019	527,705,869
amounts falling due after more than a year	14	2,273,963	213,456,907		
Cash		2,461,328	231,044,859	4,646,244	419,836,002
<b>Total current assets</b>		14,925,873	1,401,091,699	10,486,263	947,541,871
<b>Creditors: amounts falling due within one year</b>	15	(7,072,801)	(663,923,830)	(5,879,729)	(531,294,076)
<b>Net current assets</b>		7,853,072	737,167,869	4,606,534	416,247,794
<b>Total assets less current liabilities</b>		9,614,683	902,530,293	7,140,673	645,233,354
<b>Creditors: amounts falling due after more than one year</b>	16			(57,080)	(5,157,766)
<b>Provision for other liabilities</b>	17	(360,817)	(33,869,892)	(345,781)	(31,244,875)
<b>Net assets</b>		9,253,866	868,660,401	6,737,812	608,830,714
<b>Equity</b>					
Called up share capital	18	12,557	1,178,726	12,557	1,134,654
Share premium account		1,749,257	164,202,755	1,749,257	158,063,387
Retained earnings		7,492,052	703,278,921	4,975,998	449,632,672
<b>Total shareholders' funds</b>		9,253,866	868,660,401	6,737,812	608,830,714

The financial statements on pages 11 to 26 were approved by the Board on 4 May 2020 and signed on its behalf by:

Arunbir Singh Soin

**Director**

Registered Number: **2503575**

# NIIT Insurance Technologies Limited

## Statement of Changes in Equity as at 31 March 2020

	Share Capital	Share Capital	Share Premium	Share Premium	Retained Earnings	Retained Earnings	Total Equity	Total Equity
	£	INR	£	INR	£	INR	£	INR
At 1 April 2018	12,557	1,146,021	1,749,257	159,646,815	4,149,545	378,710,299	5,911,359	539,503,135
Total comprehensive income for the year					3,826,453	350,392,861	3,826,453	350,392,861
Dividends paid during the year					(3,000,000)	(274,713,575)	(3,000,000)	(274,713,575)
Currency Translation Reserve		(11,367)		(1,583,427)		(4,756,913)		(6,351,707)
<b>At 31 March 2019</b>	<b>12,557</b>	<b>1,134,654</b>	<b>1,749,257</b>	<b>158,063,387</b>	<b>4,975,998</b>	<b>449,632,672</b>	<b>6,737,812</b>	<b>608,830,714</b>
At 1 April 2019	12,557	1,134,654	1,749,257	158,063,387	4,975,998	449,632,672	6,737,812	608,830,714
Total comprehensive income for the year				0	7,016,054	632,006,144	7,016,054	632,006,144
Dividends paid during the year	0	0	0	0	(4,500,000)	(405,360,000)	(4,500,000)	(405,360,000)
Currency Translation Reserve		44,071		6,139,367		27,000,105		(202,998,446)
<b>At 31 March 2020</b>	<b>12,557</b>	<b>1,178,726</b>	<b>1,749,257</b>	<b>164,202,755</b>	<b>7,492,052</b>	<b>703,278,921</b>	<b>6,737,812</b>	<b>632,478,412</b>

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020

### 1 General information

NIIT Insurance Technologies Limited ('the Company') is a wholly owned subsidiary of NIIT Technologies Limited, UK. The ultimate parent company and controlling party is NIIT Technologies Limited, India, a Company registered in India. The principal activity of the Company is the provision of software and services to the London and International Insurance Markets.

The Company is a private company limited by shares and is incorporated in England and Wales under registration number 2503575. The address of its registered office is 100 New Bridge Street, London, EC4V 6JA.

### 2 Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) and the Companies Act 2006 for the year ended 31 March 2020.

### 3 Accounting policies

#### Basis of accounting

The financial statements are prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently with the prior year, are set out below.

The financial statements have been prepared in British Pounds, which is the company's functional currency and rounded to the nearest pound.

There were no critical accounting estimates used in the preparation of financial statements in compliance with FRS 102.

#### Going Concern

In assessing whether the financial statements for the Company should be prepared on the going concern basis, the directors have considered the future outlook of the Company. The Directors have considered the future operating profits, cash flows and facilities available.

No immediate impact of Covid-19 is anticipated and the Company has taken immediate steps to reorganise our operations to continue to serve our customers and protect the financial resources of the Company.

The Company had £2.5m of cash available on its balance sheet at 31 March 2020. The cash balance has increased by £1.2m and stands at £3.7m as at 30 April 2020. The Company has net current assets of £7.8m and positive shareholder's funds of £9.2m as at 31 March 2020.

Based on the negotiations with the main customers and review of the ongoing IT projects and our pipeline, the Company has prepared a trading forecast based on the worst-case scenario to account for Covid-19 outbreak. The forecast shows a revenue increase of 9% to previous year and decline of profit before tax of 9% to previous year. Under this scenario the Company is expected

Notes to the Financial Statements for the year ended 31 March 2020 (continued)

# NIIT Insurance Technologies Limited

## 3 Accounting policies (continued)

to generate positive operating cash flow for the year ending 31 March 2021. The main assumptions used in the model are as follows:

- Minimal impact of 10% decline (compared to pre Covid-19 forecast) in revenues to business due to its licenced software IP assets and long-term Software contracts (critical for customers' systems);
- The stickiness of our IP software assets in customer organisations and length of licence, the reliance of customer organisations on their core operational software platforms, and the time and cost to replace, do not warrant any lower revenue estimates;
- Deferral of VAT payment for the period April -June 2020 until March 2021 and staff variable compensation payments due in May 2020 to July2020;
- No changes in the headcount;
- Minimal delay in collections of customer payments, as per current experience;
- No external or parent company financing is required.

The Company's three year forward scenario, which takes into consideration the current environment and worst-case potential impact of Covid-19, shows that we are expected to remain profitable and generate positive cash flows for the foreseeable future. As a result, the directors have prepared these financial statements on a going concern basis.

### Turnover

Turnover represents sales to customers, net of value added tax and trade discounts. Turnover is derived from the company's principal activity comprising of license, implementation and support services. All turnovers relate to business activities in the United Kingdom.

### Recognition of turnover

Revenue may be recognised in respect of a contract, which is defined herein to be either a single contract taken as a whole or an unbundled part of a contract. However, an unbundled part may be considered only if the contractual obligations for completion of it can be met without any material dependency on other components of the bundled contract.

Some contracts are determined at the outset to be short term in nature. These generally relate to short studies, the supply of professional services on a time and materials basis, or the supply of products that are sold in a standard form without any material modification. All other contracts are deemed to be long-term contracts.

For any contract, revenue is recognised only when a signed contract exists and the collection of the associated receivable is considered probable.

For a short-term contract including license, revenue is recognised when there is a right to consideration, when delivery to the customer has occurred and there are no significant vendor obligations remaining.

For long term maintenance contracts, revenue is recognised in equal instalments over the period of the contract.

For Term contracts, the licence component, which does not have any vendor obligations remaining, revenue is recognised at the point in time when the right to use the licence is passed on to the customer. The maintenance revenue for these contracts is recognised in equal instalments over the period of the contract.

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 3 Accounting policies (continued)

For all other long term contracts revenue is recognised on a 'percentage of completion' basis at the statement of financial position date, with 'percentage completion' being measured by the costs to date as a percentage of the estimated costs to completion. Any loss on a contract is recognised in full as soon as a loss is foreseen by reference to the estimated cost to completion.

The amount by which turnover exceeds payments on account is shown under receivables as amounts recoverable on contracts. The amount by which billings are made in advance, and revenue taken subsequently in line with other accounting policies is shown under payables as deferred income.

For time and material contracts, revenue is recognised on basis of billable efforts.

#### Development costs (Intangible assets)

Development costs are stated at cost less amortisation and any provision for impairment.

Costs incurred during the development period of new software products, which substantially improve those products already offered by the company, are treated as development costs. These costs are capitalised and amortised over the life of the product. Costs that are capitalised comprise directly attributable incremental costs incurred during the development period, including wages and salaries of staff employed solely for the purpose of developing the new product, and third party costs.

Amortisation of the development costs occurs on a straight-line basis over five years. Impairment reviews are performed annually to ensure the present value of estimated future income streams from the associated products exceeds the capitalised cost.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected economic useful lives. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down would be charged to operating profit. The principal annual rates used are as follows:

Furniture and equipment	- 20%
Plant and machinery	- 33%

#### Leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the full terms of the leases.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 and continues to credit such lease incentives to the statement of comprehensive income over the respective lease periods.

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 3 Accounting policies (continued)

#### Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the statement of financial position date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

#### Pensions

Pension contributions to the defined contribution NIIT Insurance Technologies Limited Group Personal Pension Scheme are charged to the statement of comprehensive income in the period in which contributions are incurred. Assets of the scheme are held separately from those of the company in an independently administered fund.

#### Foreign currency

The company's functional and presentational currency is GBP.

Foreign currency transactions during the year are converted into sterling using the rate at the beginning of the month in which they occur. At the year-end monetary assets and liabilities in foreign currency amounts have been converted at the exchange rate on the statement of financial position date. All foreign exchange differences are taken to the statement of comprehensive income in the period in which they arise.

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 3 Accounting policies (continued)

#### Financial instruments

##### Financial assets:

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in statement of comprehensive income. Such assets are subsequently carried at fair value and the changes in fair value are recognised in statement of comprehensive income.

##### Financial liabilities:

Basic financial liabilities, including trade and other payables are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting:

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 3 Accounting policies (continued)

#### Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv) in respect of reconciliation of the number of shares outstanding at the beginning and end of the period;
- the requirements of Section 7 Statement of Cash Flows in respect of preparation of statement of cash flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d) in respect of presentation of statement of cash flows in the financial statements;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 in respect of the non-disclosure of key management personnel compensation in total.

The Company is a wholly owned subsidiary of a group headed by NIIT Technologies Limited, India. NIIT Technologies Limited, India prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, Third Floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India. Full consolidated financials can also be obtained for NIIT Technologies Limited, India, from that Company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>

### 4 Turnover

The turnover of the Company has been derived from its principal activity for which a geographical analysis by destination is given below. The Company has only one main class of business relating to sale of software products and services.

Geographical area	By Origin				By Destination			
	2020	2020	2019	2019	2020	2020	2019	2019
	£	INR	£	INR	£	INR	£	INR
UK	26,082,401	2,349,502,682	21,281,855	1,948,804,823	23,876,309	2,150,777,915	18,580,024	1,701,394,939
Europe	-	-	-	-	1,343,731	121,043,288	1,584,756	145,117,995
Rest of the world	-	-	-	-	862,361	77,681,479	1,117,075	102,291,889
	26,082,401	2,349,502,682	21,281,855	1,948,804,823	26,082,401	2,349,502,682	21,281,855	1,948,804,823

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 5 Operating profit

Operating profit is arrived at after charging

	31-Mar	31-Mar	31-Mar	31-Mar
	2020	2020	2019	2019
	£	INR	£	INR
Fees payable to company auditors for :				
The audit of the company pursuant to legislation	31,030	2,795,182	29,230	2,676,626
Tax services	16,000	1,441,280	16,000	1,465,139
Other services				
Depreciation and amortisation:				
Owned tangible fixed assets	154,831	13,947,176	116,925	10,706,962
Research and development	933,920	84,127,514	1,184,363	108,453,531
Rentals under operating leases:				
Land and buildings	513,720	46,275,898	513,720	47,041,953
Plant and machinery	18,946	1,706,656	18,375	1,682,621
Foreign exchange loss	27,467	2,474,227	3,628	332,220

### 6 Interest receivable and similar income

	31-Mar	31-Mar	31-Mar	31-Mar
	2020	2020	2019	2019
	£	INR	£	INR
Bank and tax refund interest	7,824	704,786	5,151	471,683
Interest Income on affiliate undertaking loan	1,335	120,257		
Total Interest receivable and similar income	9,159	825,043	5,151	471,683

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 7 Tax charge on profit on ordinary activities

	31-Mar	31-Mar	31-Mar	31-Mar
	2020	2020	2019	2019
	£	INR	£	INR
Current tax:				
UK Corporation tax at 19% (2019: 19%)	1,720,839	155,013,177	943,434	86,391,376
Adjustments in respect of prior years	-	-	(226,367)	(20,728,696)
Total current tax charge	1,720,839	155,013,177	717,067	65,662,680
Deferred tax:				
Origination and reversal of timing differences	(58,090)	(5,232,747)	(44,128)	(4,040,854)
Adjustments in respect of prior years			167,986	15,382,678
Effect of changes in tax rates	2,700	243,216	4,645	425,348
Total deferred tax	(55,390)	(4,989,531)	128,503	11,767,173
Tax charge on profit on ordinary activities	1,665,449	150,023,646	845,570	77,429,853

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 7 Tax on profit on ordinary activities (continued)

The tax assessed for the year is lower (2019: higher) than the standard rate of corporation tax in the United Kingdom 19% (2019: 19%). The differences are explained below

	31-Mar 2020	31-Mar 2020	31-Mar 2019	31-Mar 2019
	£	INR	£	INR
<b>Factors affecting tax charge for the year</b>				
Profit on ordinary activities before tax	8,681,503	782,029,790	4,672,023	427,822,714
Profit on ordinary activities at the standard rate of UK corporation tax 19% (2019: 19%)	1,649,486	148,585,699	887,684	81,286,282
Expenses not deductible for tax purposes	13,263	1,194,731	11,622	1,064,240
Adjustments in respect of prior years			(58,381)	(5,346,018)
Effect of changes in tax rates	2,700	243,216	4,645	425,348
<b>Tax charge for the year</b>	<b>1,665,449</b>	<b>150,023,646</b>	<b>845,570</b>	<b>77,429,853</b>

The deferred taxation asset of £32,436 (2019: deferred taxation liability £22,954) has been recognised and is disclosed within creditors, see note 15.

	31-Mar 2020	31-Mar 2020	31-Mar 2019	31-Mar 2019
	£	INR	£	INR
Accelerated capital allowances	(55,552)	(5,004,124)	(100,613)	(9,213,252)
Short-term timing differences	80,689	7,268,465	71,015	6,502,928
Pension provision	7,299	657,494	6,644	608,399
Deferred tax asset/(liability)	32,436	2,921,835	(22,954)	(2,101,925)
	31-Mar 2020	31-Mar 2020	31-Mar 2019	31-Mar 2019
	£	INR	£	INR
Deferred tax asset/(liability) as at 1 April	(22,954)	(2,074,130)	105,549	9,632,982
Adjustments in respect of prior years			(167,986)	(15,382,678)
Deferred tax charge to profit for the period	55,390	4,989,531	39,483	3,615,505
Currency Translation Reserve		129,366		60,060
Deferred tax asset/(liability) as at 31 March	32,436	3,044,767	(22,954)	(2,074,130)

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 7 Tax on profit on ordinary activities (continued)

Based on current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year.

The standard rate of corporation tax in the UK for the reporting period is 19%. Accordingly, the company's profit for the reporting period is taxed at an effective rate of 19.18% (2019: 18.10%) and will be taxed at 19% in the future.

Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 17% from 1 April 2020 had already been substantively enacted on 26 October 2015 and 7 September 2016. In the Budget 2020 delivered on 11 March 2020, the government announced that the UK corporation tax rate for the years starting April 2020 and 2021 will remain at 19%. Management is of the opinion that the relevant deferred tax assets and liabilities included in these Financial Statements are based on the rate of 19% having regard to their reversal profiles.

The Company has adopted the new R&D expenditure credit legislation introduced in 2013 that allows large companies to claim expenditure credits equal to 12% from 1 January 2018 of the qualifying research and development (R&D) expenditure. The operating profit for the current reporting period includes the effect of these tax credits.

### 8 Employees

	31-Mar 2020	31-Mar 2020	31-Mar 2019	31-Mar 2019
	£	INR	£	INR
<b>Staff costs during the year (including directors)</b>				
Wages and salaries	5,267,010	474,452,261	4,605,865	421,764,547
Social security costs	559,927	50,438,224	526,119	48,177,344
Other pension costs	479,942	43,233,175	473,351	43,345,315
Other staff costs	96,380	8,681,910	155,631	14,251,316
	6,403,259	576,805,571	5,760,966	527,538,522

The average monthly number of persons employed by the company during the year was:

	31 March 2020	31 March 2019
<b>By activity</b>		
Software development and support staff	36	33
Sales and marketing	9	10
Administrative Staff	9	10
	54	53

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 8 Employees (continued)

#### Pension costs

The Company operates a Defined Contribution Pension Scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The pension cost charge represents contributions payable by the company to the NIIT Insurance Technologies Limited Company Personal Pension Scheme and amounts to £479,942 (2019: £473,351). There is an accrual at the year-end for the Company Personal Pension Scheme of £38,414 (2019: £39,083).

### 9 Research and Development Expenditure Credit

The Company has claimed research and development expenditure credit as per the guidelines prescribed by HMRC on an accrual basis in the statement of comprehensive income. A summary of the qualifying research and development expenditure and the gross RDEC is as follows:

#### Expenditure Category

	2020	2020	2019	2019
	£	INR	£	INR
Staffing costs	690,336	62,185,467	321,669	29,455,614
Connected externally provided workers (EPWs)	745,757	67,177,791	324,122	29,680,238
Total qualifying research and development expenditure	1,436,093	129,363,257	645,791	59,135,851
<b>Gross RDEC @ 12%</b>	<b>172,331</b>	<b>15,523,576</b>	<b>77,495</b>	<b>7,096,309</b>

Management is confident that the claims will be successful.

### 10 Directors Emoluments

The directors' emoluments were as follows:

	2020	2020	2019	2019
	£	INR	£	INR
Aggregate remuneration	<b>63,087</b>	5,682,877	<b>61,595</b>	5,640,328

Aggregate remuneration represents 50% of the remuneration of the director recharged by the parent company. Post-employment benefits under a defined contribution pension scheme aggregating to £9,069 (2019: £8,404) is accruing to 1 director (2019: 1).

### 11 Dividends

	31-Mar	31-Mar	31-Mar	31-Mar
	2020	2020	2019	2019
	£	INR	£	INR
<b>Declared and paid during the year</b>				
<b>Ordinary shares:</b>				
Interim paid: £3.584 per 1p share (2018: £2.389 per 1p share)	4,500,000	405,360,000	3,000,000	274,713,575

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 12 Intangible assets

	Work-in-progress development costs		Development costs		Total	
	£	INR	£	INR	£	INR
<b>Cost</b>						
At 1 April 2019		-	6,472,436	584,851,259	6,472,436	584,851,259
Additions	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Currency Translation Reserve		-		22,716,309		22,716,309
At 31 March 2020	-	-	6,472,436	607,567,567	6,472,436	607,567,567
<b>Accumulated amortisation</b>						
At 1 April 2019	-	-	4,174,312	377,192,085	4,174,312	377,192,085
Charged in the year	-	-	933,921	84,127,604	933,921	84,127,604
Currency Translation Reserve		-		18,190,143		18,190,143
At 31 March 2020	-	-	5,108,233	479,509,832	5,108,233	479,509,832
<b>Net book value</b>						
At 31 March 2020	-	-	1,364,203	128,057,736	1,364,203	128,057,736
At 31 March 2019	-	-	2,298,124	207,659,174	2,298,124	207,659,174

### 13 Tangible assets

	Furniture and equipment		Plant and machinery		Total	
	£	INR	£	INR	£	INR
<b>Cost</b>						
At 1 April 2019	524,961	47,435,633	2,905,615	262,552,243	3,430,576	309,987,877
Additions	-	-	135,448	12,201,156	135,448	12,201,156
Disposals	-	-	(289,771)	(26,102,572)	(289,771)	(26,102,572)
Currency Translation Reserve		1,842,456		9,612,953		11,455,408
At 31 March 2020	524,961	49,278,089	2,751,292	258,263,780	3,276,253	307,541,869
<b>Accumulated depreciation</b>						
At 1 April 2019	524,424	47,387,110	2,688,660	242,948,124	3,213,084	290,335,234
Charged in the year	190	17,115	116,735	10,515,489	116,925	10,532,604
Disposals	-	-	(289,771)	(26,102,572)	(289,771)	(26,102,572)
Currency Translation Reserve		1,841,291	-	8,780,584	-	10,621,875
At 31 March 2020	524,614	49,245,516	2,515,624	236,141,625	3,040,238	285,387,141
<b>Net book value</b>						
At 31 March 2020	157	14,738	397,251	37,289,951	397,408	37,304,689
At 31 March 2019	347	31,355	235,668	21,295,031	236,015	21,326,386

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 14 Debtors

	2020	2020	2019	2019
	£	INR	£	INR
Trade Debtors	5,674,474	532,662,874	3,581,597	323,634,179
Amounts owed by group undertakings	161,668	15,175,775	144,124	13,023,088
Amounts recoverable on contracts	3,271,387	307,085,098	992,195	89,655,038
Deferred tax asset (see note 7)	32,436	3,044,767	-	-
Corporation tax debtor	369,092	34,646,666	55,425	5,008,220
Other receivables	110,835	10,404,081	100,939	9,120,878
Prepayments and accrued income	570,690	53,570,670	965,739	87,264,466
<b>Amounts falling due within a year</b>	<b>10,190,582</b>	<b>956,589,932</b>	<b>5,840,019</b>	<b>527,705,869</b>
<b>Amounts falling due after more than a year:</b>				
Amounts recoverable on contracts	2,210,853	207,532,771		
Prepayments	63,110	5,924,136		
	2,273,963	213,456,907		

Amounts owed by group undertakings includes loan amounting to £ 88,509 (2019: Nil).

### 15 Creditors: amounts falling due within one year

	2020	2020	2019	2019
	£	INR	£	INR
Trade Creditors	207,206	19,450,427	348,475	31,488,306
Amount owed to group undertakings	1,061,638	99,655,959	165,528	14,957,160
Deferred tax liability (see note 7)			22,954	2,074,130
Corporation tax payable			-	-
Other taxation and social security	809,817	76,017,522	613,452	55,431,707
Other payables	69	6,477	-	-
Holiday pay accrual	83,704	7,857,294	81,373	7,352,889
Other accruals	990,797	93,006,114	673,848	60,889,107
Deferred income	3,919,570	367,930,036	3,974,099	359,100,778
	7,072,801	663,923,830	5,879,729	531,294,076

Amounts owed to group undertakings represent trade balances and are unsecured, non-interest bearing within stipulated payment terms.

### 16 Creditors: amounts falling due after more than one year

Lease incentives including a rent-free period were received when the Company entered into a new lease on its office premises. These incentives are being amortised to profit or loss on a straight-line basis.

# NIIT Insurance Technologies Limited

## Notes to the Financial Statements for the year ended 31 March 2020 (continued)

### 17 Provision for other liabilities

As part of the Company's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to profit and loss as the obligation arises. The provision is expected to be utilised after the lease terminates in 2021.

### 18 Called up, allotted and fully paid up share capital

	2020 Number of shares	2020 £	2019 Number of shares	2019 £
<b>Authorised</b>				
Ordinary shares of 1p each	5,000,000	50,000	5,000,000	50,000
<b>Called up, allotted, and fully paid</b>				
Ordinary shares of 1p each	1,255,720	12,557	1,255,720	12,557

### 19 Reserves

#### Retained earnings

The retained earnings include all current and prior period retained profits and losses.

### 20 Financial commitments

At 31 March 2020, the company had total commitments under non-cancellable operating leases payable as follows:

	2020 £	2020 INR	2019 £	2019 INR
(i) Land and buildings				
Within one year	569,050	53,416,724	569,050	51,419,529
Within two to five years			570,800	51,577,659
	569,050	53,416,724	1,139,850	102,997,188
(ii) Others				
Within one year	14,077	1,321,408	7,903	714,117
Within two to five years	14,353	1,347,316	1,991	179,907
	28,430	2,668,724	9,894	894,025

# **NIIT Insurance Technologies Limited**

## **Notes to the Financial Statements for the year ended 31 March 2020 (continued)**

### **21 Related party transactions**

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that it is a wholly owned subsidiary and consolidated financial statements are prepared by the ultimate parent company, NIIT Technologies Limited, India. The consolidated financial statements published by the parent company are publicly available.

### **22 Post Statement of Financial Position Events**

There have been no significant events affecting the Company since the year end.

### **23 Ultimate holding company and controlling party**

NIIT Technologies Limited, which is incorporated and registered in the UK, is the immediate parent company. The ultimate parent company and controlling party is NIIT Technologies Limited, India a Company registered in India, which is the parent of the smallest and largest group to consolidate these financial statements.

NIIT Technologies Limited, India prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, Third floor, Guru Ravidas Marg, Kalkaji, New Delhi - 110019, India. Full consolidated financial statements can also be obtained for NIIT Technologies Limited, India, from that company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>