S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Training & Staffing Services Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of HCL Training & Staffing Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 SAs 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

S.R. BATLIBOI & CO. LLP
GURUGRAM

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

S.R. BATLIBOI & CO LLP GURUGRAM

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Nilangshu Katriar

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per Nilangshu Katriar
Partner
Membership Number: 58814
Place of Signature: Gurugram
Date: June 21, 2019

Annexure 1 referred to in paragraph 1 of the section on "Report on Other Legal and Regulatory Requirements" of our report of even date
Re: HCL Training & Staffing Services Private Limited (the Company)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under clause 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income-tax, goods and service tax, duty of custom, provident fund, employees' state insurance, cess and other statutory dues which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company did not have any outstanding loans or borrowing dues in respect of financial institution or government or dues to debenture holders.

S.R. BATLIBOI & CO. LLP
GURUGRAM

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon. In our opinion and according to information and explanations given by the management, term loans were applied for the purpose for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Nilangshu Katriar

per Nilangshu Katriar
Partner
Membership Number: 058814
Place of Signature: Gurugram
Date: June 21, 2019

S.R. BATLIBOI & CO. LLP
GURUGRAM

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HCL TRAINING & STAFFING SERVICES PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, as amended ("the Act")

We have audited the internal financial controls over financial reporting of HCL Training & Staffing Services Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, as amended.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, as amended, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance

S.R. BATLIBOI & CO. LLP
GURUGRAM

with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Nilangshu Katriar

per Nilangshu Katriar
Partner
Membership Number: 58814
Place of Signature: Gurugram
Date: June 21, 2019

S.R. BATLIBOI & CO LLP GURUGRAM

HCL Training & Staffing Services Private Limited

FINANCIAL STATEMENT

Year ended 31 March 2019 and 2018

HCL Training & Staffing Services Private Limited
Balance Sheet as at 31 March 2019
(All amounts in thousands of ₹)

	Note No.	As at 31 March 2019	As at 31 March 2018
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2.1	32,619	32,122
(b) Goodwill	2.2	16,000	16,000
(c) Other intangible assets	2.2	6,279	3,845
(d) Financial assets			
(i) Security deposits	2.3	135	20,656
(e) Other non current assets	2.4	767	3,727
(f) Deferred tax assets(net)	2.21	21,714	-
(2) Current assets			
(a) Financial assets			
(i) Investments	2.5	283,408	353,944
(ii) Trade receivables	2.6	9,080	11,478
(iii) Cash and cash equivalents	2.7	3,004	4,610
(iv) Others	2.3	23,106	435
(b) Other current assets	2.8	38,384	39,934
(c) Current tax asset (net)		25,488	14,719
TOTAL ASSETS		**459,984**	**501,470**
II. EQUITY			
(a) Equity share capital	2.9	17,513	17,513
(b) Other equity		249,108	322,416
TOTAL EQUITY		**266,621**	**339,929**
III. LIABILITIES			
(1) Non - current liabilities			
(a) Borrowings	2.10	307	-
(b) Provisions	2.11	3,603	2,333
(c) Other non-current liabilities	2.12	281	-
(d) Deferred tax liabilities (net)	2.21	-	1,282
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	2.13	31,579	33,902
(ii) Others	2.14	57,391	72,151
(b) Other current liabilities	2.15	99,624	51,510
(c) Provisions	2.11	578	363
TOTAL EQUITY AND LIABILITIES		**459,984**	**501,470**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per Nilangshu Katriar
Partner
Membership Number: 058814

Place: Gurugram
Date: 21 JUNE, 2019

For and on behalf of the Board of Directors
of HCL Training & Staffing Services Private Limited

Prahlad Rai Bansal
Director

Subramanian Gopalakrishnan
Director

Place: Noida (UP), India
Date: 21 June 2019

HCL Training & Staffing Services Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in thousands of ₹)

		Note No.	Year ended 31 March 2019	Year ended 31 March 2018
I	**Revenue**			
	Revenue from operations	2.16	376,919	495,629
	Other income	2.17	26,053	34,617
	Total income		**402,972**	**530,246**
II	**Expenses**			
	Employee benefits expense	2.18	104,177	145,924
	Finance costs	2.19	24	27
	Depreciation and amortization expense	2.1 & 2.2	15,895	12,805
	Other expenses	2.20	380,756	364,640
	Total expenses		**500,852**	**523,396**
III	**Profit before tax**		**(97,880)**	**6,850**
IV	**Tax expense**	2.21		
	Current tax		-	8,397
	Tax related to prior period		(1,851)	954
	Deferred tax charge (credit)		(22,883)	(1,429)
	Total tax expense		(24,734)	7,922
V	**Profit for the year**		**(73,146)**	**(1,072)**
VI	**Other comprehensive income**			
	Defined benefit plan actuarial gains/(losses)		(275)	1,218
	Income tax effect		113	(328)
VII	**Total other comprehensive income**		**(162)**	**890**
VIII	**Total comprehensive income for the year**		**(73,308)**	**(182)**
	Earnings per equity share of ₹ 10 each	2.28		
	Basic (in ₹)		(41.77)	(0.61)
	Diluted (in ₹)		(41.77)	(0.61)
	Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 058814

Place: Gurugram
Date: 21 JUNE, 2019

S.R. BATLIBOI & CO. LLP GURUGRAM

For and on behalf of the Board of Directors
of HCL Training & Staffing Services Private Limited

Prahlad Rai Bansal
Director

Subramanian Gopalakrishnan
Director

Place: Noida (UP), India
Date: 21 June 2019

HCL Training & Staffing Services Private Limited
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in thousands of ₹ except share data and as stated otherwise)

Statement of changes in equity

	Equity share capital		Other equity
			Reserves and Surplus
	Number of Shares	Share capital	Retained earnings
Balance as at 1 April 2017	**1,751,301**	**17,513**	**322,598**
Loss for the year	-	-	(1,072)
Other comprehensive income	-	-	890
Total comprehensive income for the year	**-**	**-**	**(182)**
Balance as at 31 March 2018	**1,751,301**	**17,513**	**322,416**
Loss for the year	-	-	(73,146)
Other comprehensive income	-	-	(162)
Total comprehensive income for the year	**-**	**-**	**(73,308)**
Balance as at 31 March 2019	**1,751,301**	**17,513**	**249,108**

Refer note 1 for summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP GURUGRAM

per Nilangshu Katriar
Partner
Membership Number: 058814

Place: Gurugram
Date: 21 JUNE, 2019

For and on behalf of the Board of Directors
of HCL Training & Staffing Services Private Limited

Prahlad Rai Bansal
Director

Subramanian Gopalakrishnan
Director

Place: Noida (UP), India
Date: 21 June 2019

HCL Training & Staffing Services Private Limited
Statement of Cash flows
(All amounts in thousands of ₹)

	Year ended 31 March 2019	Year ended 31 March 2018
A. Cash flows from operating activities		
Profit before tax	(97,880)	6,850
Adjustment for:		
Depreciation and amortization	15,895	12,805
Income on investments carried at fair value through profit and loss	(23,337)	(28,932)
Interest expenses	17	9
Loss on disposal of property, plant and equipment (net)	34	(230)
Other non cash (benefits)/charges	1,019	4,092
Operating profit before working capital changes	**(104,252)**	**(5,406)**
Movement in Working Capital		
(Increase)/decrease in trade receivables	2,398	48,291
(Increase)/decrease in other financial assets and other assets	1,341	(2,401)
Increase/ (decrease) in trade payables	(2,323)	(12,711)
Increase/ (decrease) in provisions, other financial liabilities and other liabilities	32,411	(296,783)
Cash generated from operations	**(70,425)**	**(269,010)**
Direct taxes paid (net of refunds)	(8,918)	(31,437)
Net cash flow used in operating activities (A)	**(79,343)**	**(300,447)**
B. Cash flows from investing activities		
Purchase of investments in securities	(952,900)	(377,500)
Proceeds from sale of investments in securities	1,046,772	653,100
Purchase of property, plant and equipment and intangibles, including capital work in progress, capital advances and capital account payable	(16,600)	(6,729)
Proceeds from sale of property, plant & equipment	-	860
Net cash flow from investing activities (B)	**77,272**	**269,731**
C. Cash flows from financing activities		
Proceeds from long term borrowings	552	-
Repayment of long term borrowings	(70)	-
Interest paid	(17)	(9)
Net cash flow used in financing activities (C)	**465**	**(9)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,606)	(30,725)
Cash and cash equivalents at the beginning of the year	4,610	35,335
Cash and cash equivalents at the end of the year as per note 2.7	**3,004**	**4,610**
Summary of significant accounting policies (Note 1)		

As per our report of even date

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP GURUGRAM

per Nilangshu Katriar
Partner
Membership Number: 058814

Place: Gurugram
Date: 21 JUNE, 2019

For and on behalf of the Board of Directors
of HCL Training & Staffing Services Private Limited

Prahlad Rai Bansal
Director

Subramanian Gopalakrishnan
Director

Place: Noida (UP), India
Date: 21 June 2019

ORGANIZATION AND NATURE OF OPERATIONS

HCL Training & Staffing Services Private Limited (hereinafter referred to as "the Company") is primarily engaged in the business of setting up, establishing, maintaining, managing and running technical institutions, training centers for imparting technical training & education, upgradation of knowledge, skill, proficiency, adeptness for engineers, other technical personnel and staff members of the Company as may be useful or valuable to or in respect of any business or commercial environment and to carry on recruitment & placement, provide skilled or technical man power services or staffing to other business or commercial entities in India or elsewhere including execution of job work enabling them to achieve their business objectives or goals. The Company was incorporated under the provisions of the Companies Act applicable in India on 15 June 2015, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi- 110019.

The financial statements for the year ended 31 March 2019 were approved and authorized for issue by the Board of Directors on 21 June 2019.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Schedule III(Division II) to the Companies Act,2013 as applicable to the financials statements.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities which have been measured at fair value:

a) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The Company uses the Indian Rupee ('₹') as its reporting currency.

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

(b) *Use of estimates*

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for allowance for uncollectible accounts receivables, income taxes, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the year in which the changes are made. Actual results could differ from those estimates.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(c) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

(d) Foreign currency and translation

The financial statements of the Company are presented in Indian Rupee (□) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year in which the transaction is settled. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

(e) Fair value measurement

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair value based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income securities, other securities which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.

c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. The assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

(f) Revenue recognition

Adoption of new accounting principles

Effective 1 April 2018, the Company has adopted Ind AS 115 using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial statement. The adoption of the standard did not have any material impact to the financial statements of the Company.

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured Revenue is measured at the consideration received, excluding discounts and applicable taxes.

Revenue for the company comprises of :-
- Fee from the candidates for rendering training services, and
- Fee from third parties for placement of company's resources.

Training Revenue
- Fee for seat reservation and registration, which is collectible during initial phase of the training period, are recognized over the period of training services.
- Fee for training services is accrued and recognized over the period of training. The revenue is recognised from the date of start of the training services.

Service Revenue
Fees from third parties for placement of resources is recognized over the period of rendering services by such resources.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Other Income:
Hostel fees is recovered from students for use of hostel facilities and is recognized over the period of use of such facilities by the students.

Excess of amount received from students over revenue recognized is classified as Contract liabilities and subsequently recognized over the balance period of the training.

Revenue is recognized net of discounts and allowances, value-added tax and service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Interest income

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

*(g) **Income taxes***

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred taxes which originate during the tax holiday period are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first in first out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

(h) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

The management's estimates of the useful lives of various assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Plant and equipment (including air conditioners)	10
Office equipment	5
Computers	4
Furniture and fixtures	7
Vehicles	5

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

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

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below:

Asset description	Asset life (in years)
Software	3

(j) Leases

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(k) Impairment of non-financial assets

Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset.

(l) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

S.R. BATLIBOI & CO. LLP GURUGRAM

(m) Retirement and other employee benefits

i. Provident fund: Contribution towards Provident Fund for employees is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to a maximum of ₹ 20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

iii. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

iv. State Plans: The contribution to State Plans, a defined contribution plan namely Employee State Insurance Fund and Employees' Pension Scheme for the Company are charged to the statement of profit and loss as and when employees render related services.

(n) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. **Financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits
Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial assets at amortized cost
A financial asset is measured at the amortized cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

S.R. BATLIBOI & CO. LLP * GURUGRAM *

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial asset at Fair Value through Other Comprehensive Income (OCI)
A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial assets included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss
Any financial assets, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

ii. **Financial liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade payables and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(o) Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented

(p) Recently issued accounting pronouncements

Ind AS 116 – Leases

Ind AS 116 Leases was notified in October 2018 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

S.R. BATLIBOI & CO. LLP
GURUGRAM

HCL Training & Staffing Services Private Limited
Notes to financial statements for the year ended 31 March 2019

(All amounts in thousands of ₹ except share data and as stated otherwise)

2. Notes to financial statements

2.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2019

	Plant and equipment	Office equipment	Computers	Furniture and fittings	Vehicles	Total
Gross block as at 1 April 2018	2,364	6,340	38,952	970	-	**48,626**
Additions	405	235	10,328	46	834	**11,848**
Disposals	-	-	45	-	-	**45**
Gross block as at 31 March 2019	**2,769**	**6,575**	**49,235**	**1,016**	**834**	**60,429**
Accumulated depreciation as at 1 April 2018	554	2,433	13,159	359	-	**16,505**
Charge for the year	471	1,284	9,339	159	63	**11,316**
Deduction	-	-	11	-	-	**11**
Accumulated depreciation as at 31 March 2019	**1,025**	**3,717**	**22,487**	**518**	**63**	**27,810**
Net block as at 31 March 2019	**1,744**	**2,858**	**26,748**	**498**	**771**	**32,619**

The changes in the carrying value for the year ended 31 March 2018

	Plant and equipment	Office equipment	Computers	Furniture and fittings	Vehicles	Total
Gross block as at 1 April 2017	2,364	7,101	33,136	768	515	**43,884**
Additions	-	124	5,816	202	-	**6,142**
Disposals	-	885	-	-	515	**1,400**
Gross block as at 31 March 2018	**2,364**	**6,340**	**38,952**	**970**	**-**	**48,626**
Accumulated depreciation as at 1 April 2017	117	1,324	5,289	208	312	**7,250**
Charge for the year	437	1,389	7,870	151	177	**10,024**
Deduction/other adjustments	-	280	-	-	489	**770**
Accumulated depreciation as at 31 March 2017	**554**	**2,433**	**13,159**	**359**	**-**	**16,504**
Net block as at 31 March 2018	**1,810**	**3,907**	**25,793**	**611**	**-**	**32,122**

S.R. BATLIBOI & CO. LLP GURUGRAM

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.2 Goodwill & other intangible assets

The changes in the carrying value for the year ended 31 March 2019

	Goodwill	Software	Total
Gross block as at 1 April 2018	16,000	8,286	**24,286**
Additions	-	7,014	**7,014**
Disposals	-	-	**-**
Gross block as at 31 March 2019	**16,000**	**15,300**	**31,300**
Accumulated depreciation as at 1 April 2018	-	4,441	**4,441**
Charge for the year	-	4,580	**4,580**
Deduction/other adjustments	-	-	**-**
Accumulated depreciation as at 31 March 2019	**-**	**9,021**	**9,021**
Net block as at 31 March 2019	**16,000**	**6,279**	**22,279**

The changes in the carrying value for the year ended 31 March 2018

	Goodwill	Software	Total
Gross block as at 1 April 2017	16,000	8,286	**24,286**
Additions	-	-	**-**
Disposals	-	-	**-**
Gross block as at 31 March 2018	**16,000**	**8,286**	**24,286**
Accumulated depreciation as at 1 April 2017	-	1,660	**1,660**
Charge for the year	-	2,781	**2,781**
Deduction/other adjustments	-	-	**-**
Accumulated depreciation as at 31 March 2018	**-**	**4,441**	**4,441**
Net block as at 31 March 2018	**16,000**	**3,845**	**19,845**

2.3 Financial assets - others

	As at	
	31 March 2019	**31 March 2018**
Non - current		
Carried at amortized cost		
Security deposits	135	-
Security deposits- related party (refer note 2.22)	-	20,656
	135	20,656
Current		
Carried at amortized cost		
Security deposits	60	435
Security deposits- related party (refer note 2.22)	23,046	-
	23,106	**435**

2.4 Other non current assets

	As at	
	31 March 2019	**31 March 2018**
Prepaid Expenses	767	1,551
Prepaid Expenses - related party (refer note 2.22)	-	2,176
	767	3,727

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.5 Financial assets - investments

	As at	
	31 March 2019	**31 March 2018**
Current		
Carried at fair value through profit and loss		
Unquoted investment		
Investment in mutual fund	283,408	353,944
Aggregate amount of current investments	**283,408**	**353,944**

2.6 Trade receivable

	As at	
	31 March 2019	**31 March 2018**
Unsecured , considered good	9,080	11,478
Trade receivable which have significant increase in credit risk	-	-
Trade receivable-credit impaired	-	-
	9,080	**11,478**
Impairment allowance for bad and doubtful debts		
-Unsecured , considered good	-	-
-Trade receivable which have significant increase in credit risk	-	-
-Trade receivable-credit impaired	-	-
	9,080	**11,478**

Note:-

1. Includes receivables from related parties amounting to ₹ 8,599 thousand (31 March 2018 ₹ 10,534 thousand).

2.7 Cash and bank balances

	As at	
	31 March 2019	**31 March 2018**
Cash and cash equivalent		
Balance with banks		
- in current accounts	3,004	4,610
	3,004	**4,610**

2.8 Other current assets

	As at	
	31 March 2019	**31 March 2018**
Unsecured , considered good		
Advances other than capital advances		
Security deposits	73	2,745
Advances to employees	49	316
Advances to suppliers	1,212	2,103
Other receivables - related parties (refer note 2.22)	640	4,677
Others		
Prepaid expenses	9,432	7,362
Prepaid expenses - related parties (refer note 2.22)	6,813	2,176
TDS receivables	-	3,697
Goods and service tax receivables	20,165	16,858
	38,384	39,934
Unsecured , considered doubtful		
Advances other than capital advances		
Advances to employees	649	590
Other receivables	794	-
Others		
Goods and service tax receivables	4,092	4,092
Less: Provision for other current assets	(5,535)	(4,682)
	-	-
	38,384	**39,934**

S.R. BATLIBOI & CO. LLP * GURUGRAM *

HCL Training & Staffing Services Private Limited
Notes to financial statements for the year ended 31 March 2019

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.9 Share capital

	As at	
	31 March 2019	31 March 2018
Authorized		
2,000,000 (31 March 2018 : 2,000,000) equity shares of ₹ 10 each	20,000	20,000
Issued, subscribed and fully paid up		
1,751,301 (31 March 2018 : 1,751,301) equity shares of ₹ 10 each	17,513	17,513

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares outstanding at the beginning and at the end of the financial year

	As at			
	31 March 2019		31 March 2018	
	No. of shares	₹ in thousands	No. of shares	₹ in thousands
Number of shares at the beginning	1,751,301	17,513	1,751,301	17,513
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	1,751,301	17,513	1,751,301	17,513

Shares held by holding/ultimate holding company:

	As at	
	31 March 2019	31 March 2018
HCL Comnet Limited, the holding company (including its nominee)		
1,751,301 (31 March 2019), 1,751,301 (31 March 2018) equity shares of ₹ 10 each	17,513	17,513

Details of shareholders holding more than 5 % shares in the company:-

	As at			
Name of the shareholder	31 March 2019		31 March 2018	
	No. of shares	% holding in the class	No. of shares	% holding in the class
17,51,301 Equity shares of ₹ 10 each fully paid				
HCL Comnet Limited, the holding Company (including its nominee)	1,751,301	100%	1,751,301	100%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

There were no bonus shares issued, no share issued for consideration other than cash and no shares bought back during the year (31 March 2018 : nil).

Capital management

The primary objective of the Company's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated.

2.10 Borrowings

	Non-current		Current	
	As at		As at	
	31 March 2019	31 Mar 2018	31 March 2019	31 Mar 2018
Secured				
Term loan from banks	307	-	175	-
	307	-	**175**	-
Disclosed under other Financial Liabilities(Note No.2.14)	-	-	**(175)**	-
	307	-	-	-

S.R. BATLIBOI & CO. LLP GURUGRAM

HCL Training & Staffing Services Private Limited
Notes to financial statements for the year ended 31 March 2019

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.11 Provisions

	As at	
	31 March 2019	31 March 2018
Non - current		
Provision for employee benefits		
Provision for gratuity	2,092	1,206
Provision for leave benefits	1,511	1,127
	3,603	**2,333**
Current		
Provision for employee benefits		
Provision for gratuity	89	32
Provision for leave benefits	489	331
	578	**363**

2.12 Other non-current liabilities

	As at	
	31 March 2019	31 March 2018
Deposits from employee	281	-
	281	**-**

2.13 Trade payables

	As at	
	31 March 2019	31 March 2018
Trade payables	17,728	7,487
Trade payables-related parties (refer note 2.22)	13,851	26,415
	31,579	**33,902**

2.14 Other financial liabilities

	As at	
	31 March 2019	31 March 2018
Current		
Carried at amortized cost		
Accrued salaries and benefits		
Employee bonuses accrued	3,110	1,473
Other employee costs	5,207	2,924
Others		
Current maturities of long term borrowings	175	-
Liabilities for expenses	46,066	67,744
Liabilities for expenses-related parties (refer note 2.22)	571	10
Capital accounts payables	820	-
Capital accounts payables-related parties (refer note 2.22)	1,442	-
	57,391	**72,151**

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.15 Other current liabilities

	As at	
	31 March 2019	31 March 2018
Advance from students	8,734	10,039
Contract liabilities (Previous year : Revenue received in advance)	76,715	32,199
Contract liabilities-related party (Previous year :Revenue received in advance - related parties) (refer note 2.22)	9,027	4,843
Withholding and other taxes payable	5,148	4,429
	99,624	**51,510**

2.16 Revenue from operations

	Year ended	
	31 March 2019	31 March 2018
Training revenue	376,919	495,629
	376,919	**495,629**

Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers for the year ended 31 March 2019.

	Year ended 31 March 2019
Fixed price	376,919
Total	**376,919**

Remaining performance obligations

As at 31 March 2019, the company does not have any amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 was after exclusions of below:

a) Contracts for which we recognize revenues based on the right to invoice for services performed,

b) Variable consideration allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation,or

c) Variable consideration in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

Contract balances

Contract assets : A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognized where there is excess of revenue over the billings. Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivable in our balance sheet. Contract assets primarily relate to unbilled amounts on fixed price contracts using the cost to cost method of revenue recognition. Unbilled receivable represents contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due).

The company does not have any contract assets as on 1 April 2018.

S.R. BATLIBOI & CO. LLP
GURUGRAM

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.16 Revenue from operations(continued)

Contract liablities : A contract liability arises when there is excess billing over the revenue recognized (also referred to as deferred revenue).

The below table discloses the significant movement in contract liabilities :

	Contract liabilities
Balance as at 1 April 2018	37,042
Additional amounts billed but not recognized as revenue	85,742
Deduction on account of revenues recognized during the year	(37,042)
Balance as at 31 March 2019	**85,742**

Deferred contract cost : Deferred contract cost represents the contract fulfilment cost and cost for obtaining the contract.

The Company does not have any deferred contract cost as on 31 March 2019.

2.17 Other income

	Year ended	
	31 March 2019	31 March 2018
Hostel Fee	-	3,501
Interest income carried at amortised cost	2,609	1,955
Income on investments carried at fair value through profit and loss		
- Gains on fair value changes on mutual funds	(7,511)	6,528
- Profit on sale of mutual funds	30,848	22,403
Exchange differences	107	-
Profit on sale of property, plant & equipment	-	230
	26,053	**34,617**

2.18 Employee benefits expense

	Year ended	
	31 March 2019	31 March 2018
Salaries, wages and bonus	82,455	118,891
Contribution to provident fund and other employee funds	14,014	16,640
Staff welfare expenses	7,708	10,393
	104,177	**145,924**

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.19 Finance cost

	Year ended	
	31 March 2019	31 March 2018
Interest		
- loan from bank	17	9
Bank charges	7	18
	24	**27**

2.20 Other expenses

	Year ended	
	31 March 2019	31 March 2018
Rent	65,773	51,559
Power and fuel	18,843	18,635
Insurance	302	76
Repairs and maintenance		
- Plant and machinery	1,801	314
- Buildings	17,617	16,279
- Others	13,164	15,108
Communication costs	696	862
Travel and conveyance	13,698	15,362
Recruitment, training, development and business promotion expense	154,567	106,615
Legal and professional charges	3,189	16,960
Outsourcing costs	26,676	17,158
Printing and stationery	2,859	5,284
Rates and taxes	3,598	14,901
CSR expenditure	3,130	4,914
Exchange differences (net)	-	5
Stipend Fees	51,780	79,026
Loss on disposal of property, plant & equipment	34	-
Miscellaneous expenses	3,029	1,582
	380,756	**364,640**

2.21 Income taxes

	Year ended	
	31 March 2019	31 March 2018
Income tax charged to statement of profit and loss		
Current income tax charge	-	8,397
Tax related to prior period	(1,851)	954
Deferred tax charge (credit)	(22,883)	(1,429)
	(24,734)	**7,922**
Income tax charged to other comprehensive income		
Expense (benefit) on re-measurements of defined benefit plans	(113)	328
	(113)	**328**

S.R. BATLIBOI & CO. LLP
GURUGRAM

(All amounts in thousands of ₹ except share data and as stated otherwise)

The reconciliation between the Company's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2019	31 March 2018
Profit before income tax	(97,880)	6,850
Statutory tax rate in India	26.00%	27.55%
Expected tax expense	**(25,449)**	**1,887**
Income tax at lower / higher rate	(84)	-
Tax related to prior years	(44)	954
Permanent differences	827	4,790
Others	16	291
Total taxes	**(24,734)**	**7,922**
Effective income tax rate	25.27%	115.65%

Components of deferred tax assets and liabilities as on 31 March 2019

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Provision for doubtful debts / advances	1,303	(927)	-	376
Accrued employee costs	2,157	(180)	-	1,977
Amount disallowable u/s 40a(ia)	4,315	(545)	-	3,770
Business losses	-	22,156	-	22,156
Gross deferred tax assets (A)	**7,775**	**20,504**	**-**	**28,279**
Deferred tax liabilities				
Depreciation and amortization	5,198	(325)	-	4,873
Unrealized gain on mutual funds	3,282	(2,168)	-	1,114
Others	577	114	(113)	578
Gross deferred tax liabilities (B)	**9,057**	**(2,379)**	**(113)**	**6,565**
Net deferred tax liabilities (B-A)	**1,282**	**(22,883)**	**(113)**	**(21,714)**

Components of deferred tax assets and liabilities as on 31 March 2018

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Provision for doubtful debts / advances	84	1,219	-	1,303
Accrued employee costs	917	1,240	-	2,157
Amount disallowable u/s 40a(ia)	3,025	1,290	-	4,315
Gross deferred tax assets (A)	**4,026**	**3,749**	**-**	**7,775**
Deferred tax liabilities				
Depreciation and amortization	4,581	617	-	5,198
Unrealized gain on mutual funds	1,520	1,762	-	3,282
Others	308	(59)	328	577
Gross deferred tax liabilities (B)	**6,409**	**2,320**	**328**	**9,057**
Net deferred tax liabilities (B-A)	**2,383**	**(1,429)**	**328**	**1,282**

S.R. BATLIBOI & CO. LLP * GURUGRAM *

HCL Training & Staffing Services Private Limited
Notes to financial statements for the year ended 31 March 2019
(All amounts in thousands of ₹ except share data and as stated otherwise)

2.22 Related party transactions
List of related parties and relationship:

(i) Ultimate holding Company :	HCL Technologies Limited (with effect from March 23, 2018)
(ii) Holding Company :	HCL Comnet Limited (with effect from March 23, 2018) HCL Technologies Limited (upto March 22, 2018)

(iii) Other related parties with whom transactions have taken place during the current year:

Significant Influence :	HCL IT City Lucknow Private Limited SSN College of Engineering Shiv Nadar University HCL Avitas Private Limited HCL Corporation Private Limited

Transactions with related parties during the normal course of business	Ultimate holding company		Holding company		Fellow Subsidiary		Significant influence	
	Year ended		Year ended		Year ended		Year ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Training revenue	-	-	-	-	-	-	45,140	35,537
Interest income	-	-	-	-	-	-	2,389	1,955
Payment for use of facilities	29,847	27,083	-	-	-	-	47,712	40,880
Other Expenses	85	-	-	-	-	-	20,526	778

Outstanding balances	Ultimate holding company		Holding company		Fellow Subsidiary		Significant influence	
	As at		As at		As at		As at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Trade receivables	5,862	6,459	-	57	-	-	2,737	4,018
Security deposit	-	-	-	-	-	-	23,046	20,656
Prepaid expenses	170	-	-	-	-	-	6,643	4,352
Other receivables	583	903	57	-	-	-	-	3,774
Trade payables	12,425	26,415	-	-	124	-	1,302	-
Capital account payable	1,442	-	-	-	-	-	-	-
Contract liabilities (Previous year : Revenue received in advance)	-	-	-	-	-	-	9,027	4,843
Liabilities for Expenses	-	-	-	-	-	-	571	10

S.R. BATLIBOI & CO. LLP
GURUGRAM

HCL Training & Staffing Services Private Limited
Notes to financial statements for the year ended 31 March 2019

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.23 Employee benefits

The Company has calculated the various benefits provided to employees as given below:

A. Defined contribution plans and state plans

Employer's contribution to Employees State Insurance
Employer's contribution to Employees Provident Fund
Employer's contribution to Employee Pension Scheme

During the year the Company has recognized the following amounts in the statement of profit and loss :-

	Year ended	
	31 March 2019	31 March 2018
Employer's contribution to Employees State Insurance	86	181
Employer's contribution to Employees Provident Fund	1,582	1,874
Employer's contribution to Employee's Pension Scheme	1,478	1,620
Total	**3,146**	**3,675**

B. Defined benefit plans

Gratuity
The following table sets out the status of the gratuity plan :

Statement of profit and loss

	Year ended	
	31 March 2019	31 March 2018
Current Service cost	592	1,135
Interest cost (net)	93	101
Net benefit expense	**685**	**1,236**

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.23 Employee benefits (continued)

Balance Sheet

	As at	
	31 March 2019	**31 March 2018**
Defined benefit obligations	2,181	1,238
Fair value of plan assets	-	-
	2,181	1,238
Less: Unrecognized past service cost	-	-
Net plan liability	**2,181**	**1,238**
Current defined benefit obligations	89	32
Non-current defined benefit obligations	2,092	1,206

Changes in present value of the defined benefit obligations are as follows:

	Year ended	
	31 March 2019	**31 March 2018**
Opening defined benefit obligations	1,238	1,498
Current service cost	592	1,135
Interest cost	93	101
Re-measurement (gains) losses in OCI		
Actuarial changes arising from changes in demographic assumptions	23	14
Actuarial changes arising from changes in financial assumptions	49	(72)
Experience adjustments	204	(1,160)
Benefits paid	(18)	(278)
Closing defined benefit obligations	**2,181**	**1,238**

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at	
	31 March 2019	**31 March 2018**
Discount rate	7.20%	7.60%
Estimated Rate of salary increases	7.00%	7.00%
Employee Turnover	30.00%	22.00%
Expected rate of return on assets	NA	NA

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligations are particularly sensitive. The following table summarizes the impact on defined benefit obligations as at 31 March 2019 arising due to an increase / decrease in key actuarial assumptions by 50 basis points:

	Discount rate	**Salary escalation rate**
Impact of increase	(59)	61
Impact of decrease	61	(59)

S.R. BATLIBOI & CO. LLP
GURUGRAM

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.23 Employee benefits (continued)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analysis.

The defined benefit obligations are expected to mature after 31 March 2019 as follows:

Year ending 31 March ,	Cash flows
- 2020	180
- 2021	490
- 2022	738
- 2023	1,038
- 2024	1,120
-Thereafter	11,317

The weighted average duration of the payment of these cash flows is 5.53 years.

2.24 Financial instruments

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2019 is as follows:

	Fair value through profit and loss	Amortized cost	Total carrying value
Financial assets			
Investments	283,408	-	283,408
Trade receivables	-	9,080	9,080
Cash and cash equivalents	-	3,004	3,004
Others (refer note 2.3)	-	23,241	23,241
Total	283,408	35,324	318,733
Financial liabilities			
Trade payables	-	31,579	31,579
Others (refer note 2.14)	-	57,391	57,391
Total	-	88,970	88,970

The carrying value of financial instruments by categories as at 31 March 2018 is as follows:

	Fair value through profit and loss	Amortized cost	Total carrying value
Financial assets			
Investments	353,944	-	353,944
Trade receivables	-	11,478	11,478
Cash and cash equivalents	-	4,610	4,610
Others (refer note 2.3)	-	21,091	21,091
Total	353,944	37,179	391,123
Financial liabilities			
Trade payables	-	33,902	33,902
Others (refer note 2.14)	-	72,151	72,151
Total	-	106,053	106,053

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(All amounts in thousands of ₹ unless stated otherwise)

2.24 Financial instruments (continued)

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis as at 31 March, 2019 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	283,408	283,408	-	-

There have been no transfers between Level 1 and Level 2 during the year

The assets and liabilities measured at fair value on a recurring basis as at 31 March, 2018 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	353,944	353,944	-	-

There have been no transfers between Level 1 and Level 2 during the year

Valuation methodologies

Investments: The Company's investments consist primarily of investment in mutual funds which are classified as fair value through profit and loss are determined using quoted prices for identical assets or liabilities in active markets and are classified as Level 1.

Quoted market prices in active markets are available for investments in securities and, as such, these investments are classified within Level 1.

The Company assessed that fair value of cash and cash equivalets, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(All amounts in thousands of ₹ unless stated otherwise)

2.24 Financial instruments (continued)

(b) Credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, trade receivables, unbilled revenue and investment securities. The cash resources of the Company are invested with mutual funds and banks after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables.

2.25 Corporate social responsibility

As required by the Companies Act, 2013, the gross amount required to be spent by the Company on CSR activities is ₹3,130 (31 March 2018: ₹ 4,914 Thousand) and the amount spent is ₹ 3,130 (31 March 2019 : ₹ 4,914 Thousand).

2.26 Commitments and contingent liabilities

	As at	
	31 March 2019	31 March 2018
i) Capital and other commitments		
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,695	1,616
	1,695	**1,616**

2.27 Payment to auditors

	Year ended	
	31 March 2019	31 March 2018
Statutory audit fees	700	700
Tax audit fees	100	100
	800	**800**

S.R. BATLIBOI & CO. LLP ★ GURUGRAM ★

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.28 Earnings per share

The computation of earnings per share is as follows:

	Year ended	
	31 March 2019	31 March 2018
Net profit as per statement of profit and loss for computation of EPS	(73,146)	(1,072)
Weighted average number of equity shares outstanding in calculating Basic EPS	1,751,301	1,751,301
Nominal value of equity shares (in ₹)	10.00	10.00
Earnings per equity share (in ₹)		
- Basic	(41.77)	(0.61)
- Diluted	(41.77)	(0.61)

2.29 Leases

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases for office spaces. Total lease rental recognised as expense during the period amounting to ₹ 48,945 thousands (31 March 2018: ₹ 45,577 thousands). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

	Year ended	
	31 March 2019	31 March 2018
Not later than one year	46,814	42,204
Later than one year and not later than 5 years	765	33,629
	47,579	**75,834**

2.30 Segment information

The Company's business falls within a single primary business and geographical segment i.e. imparting technical training & education to the candidates and to carry on recruitment & placement for such candidates to other business or commercial entities. Accordingly, pursuant to Ind AS 108 on 'Operating Segments', notified under section 211(3C) of the Companies Act, 1956 read with Rule 7 of the Companies (Accounts) Rules 2014, Section 133 of the Companies Act, 2013, segment information is not required to be disclosed.

S.R. BATLIBOI & CO. LLP
★ GURUGRAM ★

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.31 Micro and small enterprises

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

	31 Mar 2019		31 Mar 2018	
	Principal	Interest	Principal	Interest
Amount due to vendors	898	-		-
Principal amount paid beyond the appointed date	-	-	-	-
Interest under normal credit terms -				
Accrued and unpaid during the year	-	-	-	-
Total interest payable -		28		
Accrued and unpaid during the year	-	28	-	-

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 058814

Place: Gurugram
Date: 21 JUNE, 2019

For and on behalf of the Board of Directors
of HCL Training & Staffing Services Private Limited

Prahlad Rai Bansal
Director

Subramanian Gopalakrishnan
Director

Place: Noida (UP), India
Date: 21 June 2019