

**CIGNITI TECHNOLOGIES (NZ) LIMITED**

**5474809**

**NZBN: 9429041432365**

**FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

**Cigniti Technologies (NZ) Limited**  
**Financial Statement**  
**for the year ended 31 March 2018**

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**Cigniti Technologies (NZ) Limited**  
**Statement of profit or loss**  
**For the year ended 31 March 2018**

**Statement of profit or loss for the year ended 31 March 2018**

Particular	Note No.	Year Ended 31-Mar-2018 NZD	Year Ended 31-Mar-2017 NZD
Revenue	3(a)	437,842	532,532
Cost of sales	3(b)	371,844	498,543
<b>Gross profit</b>		<b>65,998</b>	<b>33,989</b>
Administration expenses	3(c)	88,561	33,806
Finance costs		766	1,107
Profit before tax		<b>(23,329)</b>	<b>(924)</b>
Income tax expense		5,257	-
<b>Net Income (Loss)</b>		<b>(28,586)</b>	<b>(924)</b>

The accompanying notes form part of these financial statements.  
 These financial statements should be read in conjunction with the notes and the attached audit report.



**Cigniti Technologies (NZ) Limited**  
**Statement of financial position**  
**As at 31 March 2018**

**Statement of Financial Position as at 31 March 2018**

<b>ASSETS</b>	<b>Note No.</b>	<b>31-Mar-2018 NZD Full Year</b>	<b>31-Mar-2017 NZD Full Year</b>
<b>Current Assets</b>			
Trade and other receivables	4	15,697	74,842
Other assets		320	105
Cash and bank balances		48,693	-
<b>Total Current Assets</b>		<b>64,710</b>	<b>74,946</b>
<b>Total Assets</b>		<b>64,710</b>	<b>74,947</b>
 <b>EQUITY AND LIABILITIES</b>			
Capital and reserves	5	1	1
Issued capital			
Retained earnings	6	(38,541)	(9,955)
<b>Total equity</b>		<b>(38,540)</b>	<b>(9,954)</b>
<b>Current liabilities</b>			
Trade and other payables	7	1,846	-
Other liabilities		16,176	11,836
Employees Liabilities		31,988	13,691
Inter Company Payables		53,240	59,373
<b>Total Current Liabilities</b>		<b>103,250</b>	<b>84,900</b>
<b>Total Liabilities</b>		<b>103,250</b>	<b>84,900</b>
<b>Total Equity and Liabilities</b>		<b>64,710</b>	<b>74,947</b>

The accompanying notes form part of these financial statements.  
These financial statements should be read in conjunction with the notes and the attached audit report.



**Cigniti Technologies (NZ) Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 March 2018**

**Statement of Changes in Equity for the year ended 31 March 2018**

Note	5 Share Capital NZD	6 Retained Earnings NZD	Total Equity NZD
Opening Balance 1 April 2017	1	(9,955)	(9,954)
Net Profit/(Loss) for the year	-	(28,586)	(28,586)
Closing Balance 31 March 2018	1	(38,541)	(38,540)

  

	Share Capital NZD	Retained Earnings NZD	Total Equity NZD
Opening Balance 1 April 2016	1	(9,031)	(9,030)
Net Profit/(Loss) for the year	-	(924)	(924)
Closing Balance 31 March 2017	1	(9,955)	(9,954)

The accompanying notes form part of these financial statements.  
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**Cigniti Technologies (NZ) Limited**  
**Statement of cash flow**  
**For the year ended 31 March 2018**

**Statement of cash flow for the year ended 31 March 2018**

Particulars	Note	31-Mar-2018 (in NZD)	31-March 2017 (in NZD)
<b>Cash flows from operating activities</b>			
Profit (Loss) before Tax		Full Year (28,586)	Full Year (924)
Changes in assets and liabilities			
Increase (Decrease) in trade receivables		59,145	810,329
Increase(Decrease) in trade payables		1,949	(2,246)
Increase(Decrease) in current liabilities		22,319	(387,532)
<b>Net cash provided by / (used in) operating activities</b>		<b>54,827</b>	<b>419,627</b>
<b>Cash flows from Investing activities</b>			
Payment for equipment			-
<b>Net cash flows from investing activities</b>			-
<b>Cash flows from financing activities</b>			
Proceeds from intercompany borrowing			-
Payments towards intercompany borrowing		(6,134)	(419,627)
Proceeds from issues of shares			-
<b>Net cash flows from financing activities</b>		<b>(6,134)</b>	<b>(419,627)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>48,692</b>	-
Cash and cash equivalents at the beginning of the financial year		-	-
<b>Cash and cash equivalents at the end of the financial year</b>		<b>48,692</b>	-

The accompanying notes form part of these financial statements.  
 These financial statements should be read in conjunction with the notes and the attached audit report.



**Cigniti Technologies (NZ) Limited**  
**Notes to the financial statements**  
**for the year ended 31 March 2018**

**Notes to the financial statements for the year ended 31 March 2018**

**General information**

Cigniti Technologies (NZ) Limited is a company limited by shares was incorporated under the Companies Act 1993 of New Zealand on the 29th day of October 2014. These financial statements are only for Cigniti Technologies (NZ) Limited. The parent and ultimate holding company is Cigniti Technologies Ltd. India with registered address suite No. 106 & 107, 6-3-456/C MGR Estate Dwarakapuri Colony, Panjagutta, Hyderabad, Telangana 50008, India.

The registered office of the Company is located at:  
24b Moorefield Road,  
Johnsonville,  
Wellington 6037, NZ

**Principal activities**

The principal activity of the Company is of providing software testing services. This is the fourth year of the operation. There were no significant changes in the nature of the activities of the Company during the year ended 31st March 2018.

**1. Significant accounting policies**

**2.1 Statement of compliance and reporting framework**

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). For the purposes of complying with NZ GAAP, the Company is a for-profit entity. These financial statements comply with New Zealand International Financial Reporting Standards Reduced Disclosure Regime.

**2.2 Basis of preparation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of NZ IFRS 2, leasing transactions that are within the scope of NZ IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in NZ IAS 2 or value in use in NZ IAS 36.

### **2.3 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

#### **Software testing**

Software testing is performed on the contract basis and sales income is recognised on an accrual basis when a right to be compensated for services rendered has been established and the risks and rewards can be reliably measured.

#### **Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **2.4 Foreign currencies**

Both the functional and presentational currency of the Company is New Zealand dollars (NZD).

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

### **2.5 Income taxes**

Income tax on the profit and loss for the year comprises current and deferred tax.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the [statement of profit or loss and other comprehensive income/ statement of profit or loss] because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets



**Cigniti Technologies (NZ) Limited**  
**Notes to the financial statements**  
**for the year ended 31 March 2018**

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are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company has not recognised any deferred assets as of March 31, 2018 due to uncertainty over the future profitability of Company, on a conservative basis.

## 2.6 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **2.7 Financial instruments**

Financial assets and financial liabilities are recognised when a company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## **2.8 Financial assets**

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### **2.8.1 Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **2.8.2 Financial assets at FVTPL**

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination, to which NZ IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

- A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages
- together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

**Cigniti Technologies (NZ) Limited**  
**Notes to the financial statements**  
**for the year ended 31 March 2018**

- the financial asset forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and NZ IAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 10.

### 2.8.3 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including [trade and other receivables, bank balances and cash, and others [describe]]) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

### 2.8.4 Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

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**for the year ended 31 March 2018**

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For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of available-for-sale revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

## **2.9 Financial liabilities and equity instruments**

### **2.9.1 Classification as debt or equity**

Debt and equity instruments issued by a company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **2.9.2 Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

### **2.9.3 Compound instruments**

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits/other equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

#### **2.9.4 Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

##### **2.9.4.1 Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination, to which NZ IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and NZ IAS 39 permits the entire combined contract to be designated as at FVTPL.

**Cigniti Technologies (NZ) Limited**  
**Notes to the financial statements**  
**for the year ended 31 March 2018**

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 10.

**2.9.4.2 Other financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**2.9.5 Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 10.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

**3 Revenue and expenses**

	<b>31-Mar-2018</b>	<b>31-March 2017</b>
	(in NZD)	(in NZD)
<b>(a) Revenue from continuing operations</b>		
	<b>Full Year</b>	<b>Full Year</b>
Sales	437,842	532,532
<b>Total revenue</b>	437,842	532,532
<b>Expenses</b>	<b>31-Mar-2018</b>	<b>31-March 2017</b>
	(in NZD)	(in NZD)
<b>(b) Cost of Sales</b>	<b>Full Year</b>	<b>Full Year</b>
Sales and wages	371,844	498,543



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**Notes to the financial statements**  
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**(c) Administrative Expenses**

Travel	2,538	1000
Marketing & promotions	27,077	-
Occupancy costs	4,423	665
Legal & Professional Expenses	20,293	-
Office operating costs	7,812	500
Depreciation	-	-
Unrealized Exchange Loss	24,194	-
Other	2,224	31,641
<b>Total</b>	<b>88,561</b>	<b>33,806</b>

**4 Receivables**

	31-Mar-2018 (in NZD) Full Year	31-March-2017 (in NZD) Full Year
Trade receivables	15,697	74,842
<b>Total receivables</b>	<b>15,697</b>	<b>74,842</b>

**5 Issued capital**

	31-Mar-2018 (in NZD)	31-March -2017 (in NZD)
Issued and fully paid ordinary shares	1	1

**Movements in share capital**

Date	Details	Number of shares	Number of shares
01-04-2017	Opening balance	1	1
	Issued During the year	-	-
31-03-2018	Closing balance	<u>1</u>	<u>1</u>

Fully paid ordinary shares carry one vote per share, carry a right to dividends and a pro rata share of net assets on wind up after repayment of the convertible non-participating preference shares.

The fair value of shares issued for consulting services was determined by reference to the market rate for similar consulting services.

**6 Retained earnings**

	31-Mar-2018 (in NZD)	31-March-2017 (in NZD)
Balance at the beginning of the financial year	(9,955)	(9,031)
Net profit/(loss)	(28,586)	(924)
Balance at the end of the financial year	<b>(38,541)</b>	<b>(9,955)</b>

**Cigniti Technologies (NZ) Limited**  
**Notes to the financial statements**  
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**7 Trade and other payables**

Trade and other accrued expenses	1,846	(104)
<b>Total trade and other payables</b>	<b>1,846</b>	<b>(104)</b>

**8 Related party transactions**

All transactions that have occurred with related parties are conducted on an arm's length basis in the normal course of business on commercial terms and conditions. In the ordinary course of business, the company enters into transactions with its Parent Company – Cigniti Technologies Limited and its affiliates. During the twelve months ended March 31, 2018 and 2017 the offshore delivery expenses incurred was \$66,193 and \$243,260.

Balances outstanding to / from the parent company, affiliates, and Cigniti Technologies (NZ) Limited at the end of the reporting period were as below:

Particulars	Amounts owed by related parties		Amounts owed to related parties	
	31-Mar-2018	31-Mar-2017	31-Mar-2018	31-Mar-2017
Cigniti Technologies Limited, India – Parent Company	-	-	316,053	249,860
Cigniti Technologies (Australia) Pty Ltd. – Fellow Subsidiary	262,814	190,487	-	-

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

**9 Fair values**

There are no material differences between the fair values and the carrying values of financial assets for the current or prior years.

**Estimation of fair values**

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

Trade and other receivables / payables

For receivables/payables are stated at the undiscounted nominal amount.

**10 Contingent assets, liabilities and commitments**

There are no contingent assets, liabilities or commitments as at year ended 31 March 2018.





**Cigniti Technologies (NZ) Limited**  
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**for the year ended 31 March 2018**

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**11 Events after the reporting period**

The Directors of the Company are not aware of any other matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs, which are not disclosed elsewhere in this report.

**12 Going Concern Policy**

The financial statements have been prepared on going concern basis, assuming continuous operational support from the Parent company, Cigniti Technologies Limited, and consequently no adjustments have been made to the carrying values or classification of balance sheets accounts.

**13 Directors and key management personal**

**Details of key management personnel**

The Directors of the Company are determined to be the key management personnel (KMP). In addition to the Directors, no other people have been identified, as a KMP.

**Directors**

The names of the persons who were Directors of the Company at any time during the financial year were as follows:

Martine Dominique Joly	(Appointed on 29 Oct 2014)
Srikanth Chakkilam	(Appointed on 29 Oct 2014)
Venkata Subramanyam Chakkilam	(Appointed on 29 Oct 2014)

There were no changes to key management personnel after the reporting date and to the date the financial report was authorised for issue.

**14 Approval of financial statements**

The financial statements were approved by the board of directors and authorised for issue on 10th May 2018.

**15 Rounding**

All the decimals figures reported in the financial statements and notes account have been rounded off to nearest dollar.

**16 Comparative Period**

The comparative figures are for a twelve month period. The current figures are for the Year ended 31 March 2018.



**Cigniti Technologies (NZ) Limited**  
**Directors' Annual Report**  
**for the year ended 31 March 2018**

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The Directors present here their Annual Report including Financial Statements of the Company for the year ended 31 March 2018.

**Annual Report Non-Compliance**

A unanimous resolution was passed by the company pursuant to subsection 211(3) of the Companies Act, 1993 that the Annual Report need not comply with paragraphs (a) and (e) to (j) of subsection 211(1) of the Act.

For and on behalf of the Board of Directors,



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**C. V. Subramanyam**  
Director  
Cigniti Technologies (NZ) Limited  
10 May 2018



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**Srikanth Chakkilam**  
Director  
Cigniti Technologies (NZ) Limited  
10 May 2018



**INDEPENDENT AUDITOR'S REPORT****To the Shareholders of Cigniti Technologies (NZ) Limited****Qualified Opinion**

We have audited the financial statements of Cigniti Technologies (NZ) Limited (the Company), which comprise the statement of financial position as at 31 March 2018, and the statement of profit and loss, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the basis for Qualified Opinion paragraph the accompanying financial statements of Cigniti Technologies (NZ) Limited are prepared, in all material respects, in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS RDR) and International Financial Reporting Standards (IFRS).

**Basis for Qualified Opinion**

We have not audited the financial statements for the year ended 31 March 2017 and therefore we have qualified our opinion based on the fact that we have not tested the opening balance or comparative figures.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other 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.

Other than, in our capacity as auditor we have no relationship with, or interests in, Cigniti Technologies (NZ) Limited.

**Responsibilities of Directors for the Financial Statements**

The Directors are responsible on behalf of the Company for the preparation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that is free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible on behalf of the Company 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 those charged with governance either intends 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 (NZ) 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.



As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists 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.

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.

*McGregor Bailey*

**McGregor Bailey**  
**10 May 2018**  
**Auckland, New Zealand**

