iEnergizer Ltd.

("iEnergizer" or the "Company" or the "Group")

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

iEnergizer, the technology services and media solutions leader for the digital age, reports annual results for the year ended March 31, 2019 with continued high revenue and margin growth generating a substantial return and dividend payment to shareholders.

Financial Highlights:

Sustained profitable growth and margin improvements achieved through deepening of existing customer relationships and accrual of new customers, alongside active cost management across all verticals of the Group.

- Revenue up 11.8% (2018: 6.4%) at $174.1m (2018: $155.7m)
- Significant EBITDA growth up 29.7% (2018: 10.0%) with record levels of EBITDA generating $50.1m (2018: $38.6m)
- EBITDA margin at 28.3% (2018: 24.6%)
- Operating Profit up 35.9% at $45.3m (2018: $33.3m)
- Operating Profit margin increased to 25.7% (2018: 21.2%)
- Profit Before Tax (PBT) up 47.1% at $40.8m (2018: $27.8m)
- PBT margin increased to 23.1% (2018: 17.7%)
- Earnings per share $0.17 (2018: $0.11)
- Proposing dividend of 10.4p per ordinary share (total $25.1m) (2018: nil p) and the Company intends to adopt a progressive dividend policy going forward
- Reduced net Debt to $3.9m (2018: $26.4m)
- Refinancing successfully accomplished post year end in April 2019 for an aggregate 5 year term loan of $45.5m

Operational Highlights:

Continued focus on higher margin work and succeeding in securing further work with existing and new customers, supported by new product launches.

- Exceeded double-digit revenue growth through increased revenue share from key clients; multi-year contract wins from existing clients; extension of a higher margin client's scope of work; and addition of several new clients; along with penetration into new markets through new product launches.

- Business Process Outsource revenue grew 20.8% year on year, exceeding our expectations, and accounting for 58.6% of revenues (54.2% in 2018). This demonstrates its valuable contribution to the Group's strong year on year growth.

- Multiple new customers were acquired in FY19 across iEnergizer's business lines; the Business Process Outsourcing segment added several new customers, contributing revenue of $4.3 million, and the Content Services segment's top ten new customers alone contributed revenue of $1.7 million.

- Despite structural pressures in the traditional publishing market, Content Services segment increased its revenue by 1.2% over fiscal 2018 and grew its EBITDA margins to 23.4% (2018: 20.4%). During fiscal 2019, management identified Anti Money Laundering ("AML") Know Your Client ("KYC")

service as a key new vertical, given the increasing regulatory demands faced by many companies, which is expected to add to the revenue growth for the Group.

- More than 29% growth in EBITDA achieved over last fiscal year, due to revenue growth and continued focus on cost saving initiatives:
  - Increased internalization of previously outsourced work, resulting in higher margins
  - Increased proportion of division-specific higher margin work, particularly in non-voice based processes including content writing, financials, entertainment gaming support, content technology and digital solutions
  - Effective use of technology to handle greater volumes from key customers without notable additional human resource.

- US based sales team continued to focus on its three clear, concise strategies: to enhance and grow key accounts; to identify and win new business through new customers as well as target our existing accounts; and to cross-sell and generate leads for additional services.

- Post year end in April 2019, the Company announced the successful refinancing of its term loan for an aggregate amount of $45.5m for a further 5 year window, with a group of its existing lenders. The revised facility has been secured on favorable terms and allows the Company the requisite dividend flexibility.

Dividend Policy:

- After securing the new debt facility, the Company is pleased to announce a dividend of 10.4p for the first time in 7 years
- This dividend reflects the Board's confidence in the Group's business plan and growth prospects
- The Company intends to adopt a progressive dividend policy for future pay outs from surplus cash profits after setting aside funds for longer term strategic objectives.

Marc Vassanelli, Chairman of iEnergizer, commented:

"We are very pleased to report another strong performance by iEnergizer, exceeding the recent market reforecast for the financial year ended 2019, through significant growth in revenue and EBITDA, attributable to excellent performance delivered across all of our divisions. These results reflect substantial operational progress made across the business and our ongoing focus on improving the profit margins. As a result of this and successful refinancing of loan allowing dividend flexibility, we are announcing a dividend of 10.4p for the first time in 7 years.

"We have been delighted to secure several new customers across all of our divisions, as well as maintaining and deepening our relationships with our existing key customers. The business has successfully continued to focus on recurring revenue streams, as well as effectively offsetting pressure in the traditional publishing sector by capitalizing on our advantageous position to service existing and new customers' needs in the evolving digital technology landscape.

"With a solid foundation, strong operational execution, new sales initiatives, focused differentiated offerings, a healthy balance sheet, and the substantial opportunities for both organic and in-organic growth identified, the Board has confidence that the Company is well-set on its growth path as a unique, end-to-end digital solution enabler."

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Enquiries:

iEnergizer Ltd.	+44 (0)1481 242233
Chris de Putron	
Mark De La Rue	
FTI Consulting – Communications adviser	+44 (0)20 3727 1000
Jonathon Brill / Eleanor Purdon	
Arden Partners-Nominated adviser and broker	+44 (0)20 7614 5900
Ciaran Walsh / Steve Douglas / Dan Gee-Summons (Corporate Finance)	
James Reed-Daunter (Equity Sales)	

Company Overview

iEnergizer is an AIM listed, independent, integrated software and service pioneer. The Company is a publishing and technology leader, which is set to benefit from the dual disruptive waves of big data and the cloud in the digital age. With its expertise and cutting-edge technology, iEnergizer is uniquely positioned to facilitate the transformation to a digital world and support clients in this transition.

iEnergizer provides services across the entire customer lifecycle and offers a comprehensive suite of Content & Publishing Process Outsourcing Solutions (Content Services) and Customer Management Services (Business Process Outsource) that include Transaction Processing, customer acquisition, customer care, technical support, billing & collections, dispute handling, Anti Money Laundering and KYC services, and market research & analytics using various platforms including voice – inbound and outbound, back-office support, online chat, mail room and other business support services.

Our award-winning content and publishing services provide complete, end-to-end solutions for information providers and all businesses involved in content production. Our differentiation is in focusing on solutions and services that enable customers to find new ways to monetize their content assets, measurably improve performance, and increase revenues across their entire operation. From digital product conception, content creation and multichannel distribution, to post-delivery customer and IT support, we align ourselves with our customers as they streamline their operations to maximize cost-efficiencies and improve their ROI while connecting them with new, digitally savvy audiences.

Chairman's Statement

Financial performance of iEnergizer in fiscal 2019 reflects the outcome of continued growth in volumes from existing key customer relationship, adding several new customers across all verticals together with improvements in efficiency and adoption of new technology, which resulted in significant 47.1% growth in the Group's Profit Before Taxation (PBT). Our strategy, focused on offering differentiated end-to-end services, has been designed to ensure long-term value creation for our shareholders.

The underlying businesses in all of our divisions have performed well. The BPO division posted revenue growth of 20.8%, outperforming expectations as key clients continued to increase workload volumes throughout the year and this is expected to continue. Despite structural pressures in traditional publishing market, the Content Services division has been able to increase the EBITDA margins to 23.4% along with marginal increase in revenue of 1.2% over fiscal 2018.

The overall outsourcing global market continues to expand, but increasingly the functions of outsourcing are changing dramatically. The number of preferred vendors in any given contract is consolidating and the functions outsourced have become increasingly sophisticated. iEnergizer is well positioned to benefit from this trend as an essential long-term-partner that delivers high quality, complex processes. The Company has developed end-to-end Lifecycle Management (LCM) solutions, so that as companies streamline and consolidate their operations, iEnergizer can act as a preferred vendor and single partner to meet all of these needs while providing maximum cost-efficiencies.

Streamlined management positions, investments in technology, early movement into AML services, diversified client base and robust service offering on sticky revenues, provides us with positive outlook over future performance.

The Management

Our management team, through their strength of leadership, has helped iEnergizer grow continuously over the last decade. The entrepreneurial approach has been a true asset to the Company and it has enabled us to identify new markets, customers and product lines in addition to providing high quality service to our clients.

I would like to thank each and every one of our colleagues for their commitment to iEnergizer.

Marc Vassanelli
Chairman of the Board

Executive Director's Statement

Fiscal 2019 has been a year of strong growth with a positive outlook for the future. There has been considerable improvement in overall profitability of the Company through sustained maintenance of key customer contracts and focus on existing business together with addition of new customers and active monitoring of costs.

Financial Overview

Revenues grew to $174.1m (2018: $155.7m) and PBT grew to $40.8m (2018: $27.8m). Growth in profit is primarily on account of sustaining profitable vendor contracts along with increase in volumes with key clients supported by effective management of costs across all verticals of the Company.

By service line, the BPO (Business Process Outsource) division posted revenue growth of 20.8%, outperforming our own expectations as key clients continued to increase volumes throughout the year. The top five customers across the BPO division together grew revenues 18.3% over fiscal 2018, reflective of both retaining key clients and growing 'wallet share' within key accounts along with addition of several new clients.

Content Delivery grew its EBITDA margins to over 23.0% with the management being able to manage operational costs by active monitoring and effective utilization of resources. Despite structural pressures in the traditional publishing market, the Content Delivery segment maintained steady workflow from its customers and marginally increased its revenue from last fiscal. The Content delivery segment is focusing on three areas: growing by renewing key contracts with existing customers; entering into more profitable contracts with new clients; and entering into new service lines such as Anti Money Laundering KYC, based on requirements of its existing and new clients.

The Company announced the successful refinancing of its term loan for an aggregate amount of $45.5m with a group from its existing lenders in April 2019.

Business Review

We have aligned the Company with the new market opportunities to take advantage of the growth in digital technology and solutions.

Volumes processed for key customers continued to increase, without notable additional work-force resource, reflective of the capability to port expertise from one discipline to another and to utilize technology solutions.

We are proud of our quality of service which is evident in a client retention rate of over 90% and it has also benefitted the Company by an increase in volume of new work generated from existing clients. We continue to up-sell additional services, often more complex and at a higher margin. Our direct customers include a number of the world's largest publishers, Fortune 500 corporations and professional service providers.

We have invested in technology across both the segments – allowing generating increased margins through automation. On the content side the Company had launched its SaaS platform "SciPris" which allows faster and upfront collections for our clients and working on development of library for Off-The-Shelf content (OTS) to generate high margin revenue by providing direct access to specific content as per customer requirements. For BPO, we have developed the use of automation tools such as chatbots to allow basic information capture before human intervention is required. This allows a focus of man hours on technical issue resolution, driving client dependence on services.

Our focus is to continue to provide enterprises with an integrated suite of solutions. Our expertise helps companies in any industry to apply digital technology to monetize content, produce valuable new product offerings, and increase revenues across their entire operation.

From digital product conception, content creation and multichannel distribution, to post-delivery customer and IT support, we are positioned to work alongside our customers as they streamline their operations to maximise their cost-efficiencies and improve their ROI while connecting them with the growing number of digitally savvy audiences.

We have continuously worked hard to develop our differentiated offering and advantageous market positioning to keep ahead of our competitors. Market opportunities created by new regulatory requirements are being explored to create new business verticals, which will contribute to more profitable growth for the company.

Company's outsourcing services remain structured around industry-focused services, across its market segments. The verticals served include: Banking Financial Services and Insurance (BFSI); Anti Money Laundering KYC; Publishing; Entertainment and Online Video Gaming; Information Technology; Healthcare and Pharmaceuticals.

Dividend

The Board is pleased to announce that on the back of its strong growth and cash generation this year, it is proposing to pay a dividend of 10.4p per share with dividend record date of 5 July 2019. The Company

Ordinary Shares are expected to go ex-dividend on 4 July 2019 and the dividend is expected to be paid on 2 August 2019. The Company intends to adopt a progressive dividend policy. Future pay-outs will be made from surplus profits following the assessment of debt covenants, future capital expenditure and growth options and such other sum as the management may deem necessary for meeting its long term strategic ambitions. The dividend being declared this year represent the first year of adoption of this progressive dividend policy.

Outlook

As we look into fiscal 2020 and beyond, we see a sizeable project pipeline, in both enterprise solutions across the group and growth in the content services segment. These relate to our new services launch such as Anti Money Laundering KYC service along with continued development of the course material and Learning Management Systems (LMS) for the Off-The-Shelf (OTS) content service, combined with continued solid momentum in Business Process Outsource segment. We expect the business to continue to deliver on its strategy, and we continue to keep a close eye on our costs, as the revised structure and new initiatives continue to take effect in the content delivery segment. The operational leverage in the business model enables us to capitalise substantially on revenue growth opportunities presented in the pipeline. With a solid foundation, strong operational execution, new sales initiatives, focused differentiated offerings, a healthy balance sheet, and the substantial opportunities identified, the Board has confidence that the Company is well-set on its growth path as a unique, end-to-end digital solution enabler.

Anil Aggarwal

Chief Executive Officer and Executive Director

BOARD AND EXECUTIVE MANAGEMENT

Marc Vassanelli (48) – Chairman

Mr. Vassanelli brings extensive industry knowledge and experience of successfully growing businesses, from established business services (while CFO of ConvergeOne) to media start-ups (during his time as CEO and President of MV3 Ltd). He brings comprehensive expertise in change management, having successfully managed the integration of Equiniti and Xafinity to form Equiniti Group (a $510m+ revenue UK BPO firm). He also led the turnaround of the $1.5bn EMEA region of Marsh (a portfolio company of Marsh & McLennan) ahead of becoming the Marsh EMEA CFO. Mr. Vassanelli's previous strategic, operational and financial roles spanning private equity, consulting and banking across multiple industries, will bring invaluable insight and knowledge to the iEnergizer Board. Mr. Vassanelli sits on the audit, remuneration and nomination committees of the Company.

Anil Aggarwal (58) – Chief Executive Officer & Executive Director

Mr. Aggarwal is a first generation entrepreneur and is founder and promoter of iEnergizer. He has promoted and managed several successful businesses in various territories including Barker Shoes Limited in the UK. Mr. Aggarwal is primarily responsible for business development, strategy and overall growth for the company.

Ashish Madan (57) – Chief Financial Officer & Executive Director

Mr. Madan is a business development and marketing professional with over 31 years of experience in retail and customer services industry. As a CFO of iEnergizer Ltd, Mr. Madan contributes to all aspects of strategic business development and decision-making. Previously he has held senior positions in the media, publishing, and retail sectors, overseeing public and press relations as well as internal communications and has a long track record operational, marketing and, relationship success.

Christopher de Putron (45) - Non Executive Director

Mr. de Putron is a financial services professional with over 23 years' experience in the fiduciary and funds industry in both Guernsey and Bermuda. He is the Managing Director of Jupiter Trustees Limited, a Guernsey based independent fiduciary firm and Jupiter Fund Services Limited a Guernsey based independent fund administration company, and a director of Link Market Services (Guernsey) Limited. Previously he has worked at fiduciary companies in both Guernsey and Bermuda including Rothschild, Bank of Bermuda and HSBC. Mr. de Putron has a business economics degree from the University of Wales and is a member of the Society of Trust and Estate Practitioners. Mr. de Putron sits on the audit, remuneration and nomination committees of the Company.

Mark De La Rue (50) - Non-Executive Director

Mr. De La Rue is a Fellow of the Association of Chartered Certified Accounts (ACCA) and a financial services professional with over 26 years' experience in the accounting and fiduciary industries in Guernsey. He is a director of Jupiter Trustees Limited, a Guernsey based independent fiduciary firm and Jupiter Fund Services Limited a Guernsey based independent fund administration company, and a director of Link Market Services (Guernsey) Limited.

DIRECTORS' REPORT

The Directors present their report and the financial statements of iEnergizer Limited ("the Company") and its Subsidiaries (collectively the "Group"), which covers the year from 1 April 2018 to 31 March 2019.

Principal activity and review of the business

The principal activity of the Company is that of providing Content Transformation Services and Business Process Outsourcing Services.

Results and dividends

The trading results for the year and the Group's financial position at the end of the year are shown in the attached financial statements. The Directors have recommended payment of a dividend of 10.4p per share (FY2018 nil p).

Review of business and future developments

A review of the business and expected future developments of the Company are contained in the Chairman's statement attached to this report.

Directors and Directors' interests

The Directors of the Company during the year are attached to this report.

Director's remuneration

The Director's remuneration for the year ended 31 March 2019 was:

Particulars	31 March 2019	31 March 2018
Transactions during the year		
Remuneration paid to directors	$	$
Chris de Putron	13,001	13,081
Mark De La Rue	13,001	13,081
Marc Vassanelli	39,003	39,241
Anil Aggarwal	--	--
Ashish Madan	--	--

Directors share option

During the year ended 31 March 2019, no key management personnel have exercised options granted to them.

Related party contract of significance

The related party transactions are noted in note 28 of the financial statement.

Internal control

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage the risk of failure to achieve the Company's strategic objectives. It cannot totally eliminate the risk of failure but will provide reasonable, although not absolute, assurance against material misstatement or loss.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors' responsibilities

The Directors are responsible for preparing the Directors' reports and consolidated financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing those financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and of the Group to enable them to ensure that the financial statements comply with the requirements of the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

To the best of our knowledge and belief:

- The financial statements have been prepared in accordance with International Financial Reporting Standards;
- The financial statements give a true and fair view of the financial position and results of the Group;

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's Auditors for the purposes of their audit and to establish that the Auditors are aware of that information. The Directors are not aware of any relevant audit information of which the Auditors are unaware.

On behalf of the board

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Director

CORPORATE GOVERNANCE

The Directors recognise the importance of good corporate governance and have chosen to apply the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). The QCA Code was developed by the QCA in consultation with a number of significant institutional small company investors, as an alternative corporate governance code applicable to AIM companies. The underlying principle of the QCA Code is that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term". Statement of Compliance with the QCA Corporate Governance Code is provided as a separate section under AIM Rule 26 on company website www.ienergizer.com.

Board of Directors

The Board is responsible for formulating, reviewing and approving the Company strategy, budgets and corporate actions. Following Admission, the Directors intend to hold Board meetings at least bi-annually and at such other times as they deem necessary. The Board comprises of two Executive Directors, Anil Aggarwal and Ashish Madan, and three Non-Executive Directors, Chris de Putron, Mark De La Rue and Marc Vassanelli (Chairman). The resume of the board members is as outlined in the statement attached to this report.

The Executive Directors brings knowledge of the Business Process Outsourcing industry, the investment industry and a range of general business skills. The Non-Executive Directors form a number of committees to assist in the governance of the Company. Details are below.

All Directors have access to independent professional advice, at the Company's expense, if and when required.

Sub-Committees

The Board has appointed the three sub-committees outlined below. The sub-committees will meet at least once each year.

Audit Committee

The Audit committee comprises of Marc Vassanelli as chairman and Chris de Putron. The committee is responsible for ensuring that the financial performance of the Company is properly monitored and reported on. The committee is also responsible for meeting with the auditors and reviewing findings of the audit with the external auditor. It is authorised to seek any information it properly requires from any employee and may

ask questions of any employee. It will meet the auditors once per year without any members of management being present and is also responsible for considering and making recommendations regarding the identity and remuneration of such auditors.

Remuneration Committee

The Remuneration committee comprises of Marc Vassanelli as chairman and Chris de Putron. The committee will consider and recommend to the Board the framework for the remuneration of the executive directors of the Company and any other senior management. It will further consider and recommend to the Board the total individual package of each executive director including bonuses, incentive payments and share options or other share awards. In addition, subject to existing contractual obligations, it will review the design of all share incentive plans for approval by the Board and the Company's shareholders and, for each such plan, will recommend whether awards are made and, if so, the overall amount of such awards, the individual awards to executive directors and performance targets to be used. No director will be involved in decisions concerning his own remuneration.

Nomination Committee

The Nomination committee comprises Chris de Putron as chairman and Marc Vassanelli. The committee will consider the selection and re-appointment of Directors. It will identify and nominate candidates to all board vacancies and will regularly review the structure, size and composition of the board (including the skills, knowledge and experience) and will make recommendations to the Board with regard to any changes.

Share Dealing

The Company has adopted a share dealing code (based on the Model Code), and the Company will take all proper and reasonable steps to ensure compliance by Directors and relevant employees.

The City Code on Takeovers and Mergers

The Code applies to offers for all listed and unlisted public companies considered by the Panel resident in the UK, the Channel Islands or the Isle of Man. The Panel will normally consider a company to be resident only if it is incorporated in the United Kingdom, the Channel Islands or the Isle of Man and has its place of central management in one of those jurisdictions. Although the Company is incorporated in Guernsey and its place of management is in Guernsey, the Panel considers that the code does not apply to the Company. It is emphasised that although the Ordinary Shares will trade on AIM, the company will not be subject to takeover regulations in the UK; however, certain provisions analogous to parts of the Code in particular the making of

mandatory offers have been incorporated into the Articles, which are available on the Company website, www.ienergizer.com.

Disclosure and Transparency Rules

Majority Shareholdings:

The following persons are directly or indirectly interested (within the mean of Part VI of FSMA and DTR5) in three percent or more of the issued share capital of iEnergizer:

Name	# of Ordinary Shares	% of Issued Share Capital
EICR (Cyprus) Limited	157,196,152	82.68
AXA Investment Managers U.K	10,350,000	5.44
Capital Research Global Investors	7,650,500	4.02
NFU Mutual Investment Services Ltd	6,821,304	3.59

Control by Significant Shareholder

Mr. Anil Aggarwal, through private companies-mainly Geophysical Substrata Ltd. (GSL) and EICR (Cyprus) Limited (EICR), owns a significant percentage of the Company. Mr. Aggarwal could exercise significant influence over certain corporate governance matters requiring shareholder approval, including the election of directors and the approval of significant corporate transactions and other transactions requiring a majority vote.

The Company, Arden Partners (Broker & Nomad), GSL, EICR and Mr. Anil Aggarwal have entered into a relationship agreement to regulate the arrangements between them. The relationship agreement applies for as long as GSL/EICR directly or indirectly holds in excess of thirty per cent of the issued share capital of the Company and the Company's shares remain admitted to trading on AIM. The relationship agreement includes provisions to ensure that:

i. the Board and its committees are able to carry on their business independently of the individual interests of EICR;

ii. the constitutional documents of the Company are not changed in such a way which would be inconsistent with the Relationship Agreement;

iii. all transactions between the Group and EICR (or its affiliates) are on a normal commercial basis and concluded at arm's length;

iv. EICR shall not:

(i) exercise the voting rights attaching to its Ordinary Shares; or

(ii) procure that the voting rights attaching to its Ordinary Shares be exercised,

so as (a) to appoint any person who is connected to EICR to the Board if, as a direct consequence of such appointment, the number of persons connected to EICR appointed to the Board would exceed the number of independent Directors appointed to the Board, unless such appointment(s) has been previously approved by the nomination committee of the Board constituted by a majority of independent Directors; or (b) to remove any independent Director from the Board, unless such removal has previously been recommended by a majority of the independent Directors, excluding the independent Director in question; or (c) to cancel the Admission, unless the cancellation has previously been recommended by a majority of the independent Directors; and

v. certain restrictions are put in place to prevent interference by the Shareholder with the business of the Company.

Independent auditor's report to the members of iEnergizer Limited

Opinion

We have audited the Group financial statements of iEnergizer Limited for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

In our opinion, the Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2019 and of the Group's profit for the year then ended;
- are in accordance with IFRSs as adopted by the European Union; and comply with The Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK),(ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Overview of our audit approach

- Overall materiality: $2,477,000, which represents 6% of the company's profit before taxation;
- Key audit matters were identified as
  a. Revenue recognition
  b. Employee benefit obligations and expenses understated
  c. Payment to fictitious employees
  d. Impairment of goodwill and intangible assets with indefinite useful lives and
- We directed our audit procedures on the basis of materiality of each component in the Group structure, performing a comprehensive audit for material components and analytical procedures for other components.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the

greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Group	**How the matter was addressed in the audit - Group**
Revenue Recognition Revenue is recognised to the extent that economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is the key driver of the business and judgement is involved in determining when contractual obligations have been performed and to the extent that the right to consideration has been earned. Management's judgement is also involved in cases related to deferred revenue. There is a risk that revenue may be deliberately overstated as a result of management override resulting from the pressure management may feel to achieve planned results. The management of the Group focuses on revenue as a key performance measure which could create an incentive for revenue to be recognized before the risks and rewards have been transferred. We therefore identified Revenue Recognition as one of the most significant assessed risk of material misstatement and key audit matter.	Our audit work included, but was not restricted to: • Walkthroughs of each significant class of revenue transactions and assessing the design effectiveness of key controls; • Testing the timing of revenue recognition on a sampling basis across revenue streams; • Analytical reviews on revenue recognised to identify any material new revenue streams and customers and to assess whether recognised revenue is in line with the expected level; • Agreeing on a sample basis amounts of revenue to customer contracts and verifying the extent, timing and customer acceptance of goods and services, where relevant. The group's accounting policy on Revenue recognition is shown in note 3.3 and related disclosures are included in note 29 Based on our audit procedures we did not identify any evidence of material misstatement in the revenue recognised for the year ended 31 March 2019 in the Group financial statements.
Employee benefit obligations and expenses understated The Group has the following defined benefits plans for different geographical entities i.e 1. Gratuity; and 2. Pension Cost The Group also has other long term employee liability in the form of Compensation absences. The Gross value of the above accruals (net of plan assets) amounts to $ 3,197,564. The valuation of the above plans in accordance with IAS 19 Employee Benefits involves significant judgement and is subject to complex actuarial assumptions. Small variations in those actuarial assumptions can lead to materially different	Our audit work included, but was not restricted to: • Walkthrough of management's process for assessing the valuation of defined benefit plans and other long term benefits and assessing the design effectiveness of key controls; • Testing the accuracy of the underlying data used by the Group's actuaries for the purpose of calculating the scheme liabilities by selecting a sample of employees and agreeing pertinent data such as date of birth, gender, date of joining etc. to underlying records; • Testing the reasonableness of assumptions used by the Group's actuary for calculation of the scheme liabilities. The Group's accounting policy on Valuation of Defined benefit plan is shown in note 3.9 to the financial statements and related disclosures are included in 18. Based on our audit work, we found the valuation methodologies including inherent actuarial assumptions to be reasonable. From our audit procedures we found that appropriately describes the assumptions and estimates and the potential impact on the

Key Audit Matter – Group	How the matter was addressed in the audit - Group
values of the above plans recognised in the Group financial statements. We therefore identified Employee benefit obligation as one of the most significant assessed risk of material misstatement, and key audit matters.	future periods of revision of these estimates.
Payment to Fictitious Employees The Group functions in a sector having turnover of employees and has significant expenditure in relation to the employee cost. We identified it as one of the most significant assessed risk of material misstatement in relation to payment to fictitious employees and this area was considered to be a key audit matters.	Our audit work included, but was not restricted to: • Walkthrough of management's process for payment of employee remuneration and assessing the design effectiveness of key controls; • Analytical review on employee remuneration to assess whether employee remuneration recorded and payment made are in line with the expected level; and • Verification of employees by selecting a sample and interviewing them to agree pertinent data by asking identification number issued by the government, date of joining and other personal details. Based on our audit work performed, we did not identify any payments to fictitious employees nor any related reporting matters.
Impairment of Goodwill and Intangible Assets with indefinite useful lives The process of assessing whether an impairment exists under International Accounting Standard (IAS) 36 Impairment of assets is complex. The Group has certain intangible assets having indefinite lives in the form of Goodwill arising from business combination in earlier years, Trademarks and Patents. The management's evaluation of carrying value of these assets involves analysis of Group's cash generating units (CGU) which requires judgement about future performance of CGU's and the discount rates applied to future cash flow projections. Therefore, we identified impairment of goodwill and intangible assets with indefinite useful lives as a significant and key audit matter.	Our audit work included, but was not restricted to: • Walkthrough of management's process for assessing the impairment of goodwill and intangible assets and assessing the design effectiveness of key controls; • Testing the methodology applied in calculating value in use, using a valuation specialist to ensure compliance with the requirements of IAS 36, Impairment of Assets; • Testing the mathematical accuracy of management's model and wherein the management sought assistance from external valuer, using a valuation specialist. • Testing the key underlying assumptions for the financial years ending 31 March 2019 and beyond; • Challenging management on its cash flow forecast and the implied growth rates for the FY 19 and beyond, considering evidence to support these assumptions; • Testing the accuracy of the "discount rates" using comparative Company information, risk free/risk premium market available rate and "long-term growth rates" by corroborating the responses received from management in respect of revenue growth projections; and • Testing the sensitivity analysis performed by management in respect of the key assumptions of discount and growth rates to check sufficient headroom in their calculation. The Group's accounting policy on Impairment of Goodwill and Intangible Assets is disclosed in Note 3.10 to the financial statements and related disclosures are included in Note 7.

Key Audit Matter – Group	How the matter was addressed in the audit - Group
	Based on our work, we found that the assumptions made and estimates used in management's assessment of impairment of Goodwill and Intangible Assets with indefinite useful lives are reasonable. From our audit procedures we found that Note 7 to the financial statements appropriately discloses the assumptions used in arriving at the enterprise value.

Our application of materiality
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality measure	Group
Financial statements as a whole	$ 2,477,000 which is 6% of Profit before taxes. This benchmark is considered the most appropriate because company is a service industry and also it uses profit before taxes to measure it's financial performance. Also, it is a listed company on Alternative Investment market. Materiality for the current year is higher than the level that we determined for the year ended 31 March 2018 to reflect the increase in Revenue.
Performance materiality used to drive the extent of our testing	60% of financial statement materiality
Communication of misstatements to the audit committee	$ 2,477,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was based on a thorough understanding of the Group's business, its environment and is risk based, and in particular included:

- The Components of the Group were evaluated by the audit team based on measure of materiality considering each as a percentage of Group assets, revenues and profit before taxes, to assess the significance of the component and to determine the planned audit responses;
- We sent detailed audit instructions to our component audit teams in India and Mauritius, included them in audit planning meetings, discussed their risk assessment, attended closing meetings and reviewed their audit working papers.
- To address the audit risks as identified during our planning procedures, we focused our Group audit approach on the basis of entities included in the Group structure. The Parent Company has three subsidiaries, which further has subsidiaries under them.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 1 to 18 , other than the financial statements and our auditor's

report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Parent Company; or
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 15-18, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Who we are reporting to

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Carpenter

For and on behalf of Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey, Channels Islands

Date: 24 June 2019

Consolidated Statement of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current			
Goodwill	**7**	102,256,665	102,265,086
Other intangible assets	**8**	12,484,053	14,770,468
Property, plant and equipment	**9**	6,607,072	4,650,688
Long- term financial asset	**10**	1,681,981	550,534
Non-current tax assets		1,095,365	1,119,175
Deferred tax asset	**11**	4,726,068	7,915,205
Other non-current assets		33,098	-
Non-current assets		**128,884,302**	**131,271,156**
Current			
Trade and other receivables	**12**	36,675,342	27,346,367
Cash and cash equivalents	**13**	42,413,215	33,774,536
Short-term financial assets	**14**	7,058,455	7,674,666
Current tax assets		505,345	816,688
Other current assets	**15**	3,320,502	2,866,199
Current assets		**89,972,859**	**72,478,456**
Total assets		**218,857,161**	**203,749,612**
EQUITY AND LIABILITIES			
Equity			
Share capital	**27**	3,776,175	3,776,175
Share compensation reserve	**3.15**	63,986	63,986
Additional paid in capital	**3.15**	15,451,809	15,451,809
Merger reserve	**3.15**	(1,049,386)	(1,049,386)
Retained earnings	**3.15**	131,950,337	100,201,260
Other components of equity	**3.15**	(11,669,812)	(8,512,552)
Total equity attributable to equity holders of the parent		**138,523,109**	**109,931,292**

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018

Liabilities			
Non-current			
Long term borrowings	**16**	870,535	46,038,369
Employee benefit obligations	**18**	4,101,097	4,200,708
Other non-current liabilities		216,669	269,038
Deferred tax liability	**11**	8,574,576	7,375,578
Non-current liabilities		**13,762,877**	**57,883,693**
Current			
Short term borrowings	**16**	8,934	402,986
Trade and other payables	**12**	10,574,896	13,258,193
Employee benefit obligations	**18**	858,384	700,761
Current tax liabilities		-	246,560
Current portion of long term borrowings	**16**	45,403,496	13,732,671
Other current liabilities	**19**	9,725,465	7,593,456
Current liabilities		**66,571,175**	**35,934,627**
Total equity and liabilities		**218,857,161**	**203,749,612**

(The accompanying notes are an integral part of the Consolidated Financial Statements)

The Consolidated Financial Statements have been approved and authorized for issue by the Board of Directors on 24 June 2019.

Director

Consolidated Income Statement

(All amounts in United States Dollars, unless otherwise stated)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income from operations			
Revenue from services		174,092,791	155,704,472
Other operating income	**20**	2,988,763	1,200,548
		177,081,554	**156,905,020**
Cost and expenses			
Outsourced service cost		38,064,263	47,184,729
Employee benefits expense		73,829,022	61,929,493
Depreciation and amortization		5,188,390	5,070,283
Other expenses		14,682,478	9,376,852
		131,764,153	**123,561,357**
Operating profit		**45,317,401**	**33,343,663**
Finance income	**21**	820,064	601,788
Finance cost	**22**	(5,300,395)	(6,181,696)
Profit before tax		**40,837,070**	**27,763,755**
Income tax expense	**23**	9,087,993	7,322,543
Profit for the year attributable to equity holders of the parent		**31,749,077**	**20,441,212**
Earnings per share	**24**		
Basic		*0.17*	*0.11*
Diluted		*0.17*	*0.11*
Par value of each share in GBP		*0.01*	*0.01*

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Comprehensive Income

(All amounts in United States Dollars, unless otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit after tax for the year		**31,749,077**	**20,441,212**
Other comprehensive income			
Items that will be reclassified subsequently to the consolidated income statement			
Exchange differences on translating foreign operations	**3.2**	(3,228,735)	(269,138)
Net other comprehensive (loss) that will be reclassified subsequently to consolidated income statement		**(3,228,735)**	**(269,138)**
Items that will not be reclassified subsequently to the consolidated income statement			
Re-measurement of the net defined benefit liability	**18**	100,840	413,957
Income tax relating to items that will not be reclassified		(29,365)	(144,885)
Net other comprehensive income that will be not be reclassified subsequently to consolidated income statement		**71,475**	**269,072**
Other comprehensive income/(loss) for the year		**(3,157,260)**	**(66)**
Total comprehensive income attributable to equity holders		**28,591,817**	**20,441,146**

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2017	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(8,950,271)**	**437,785**	**79,760,048**	**89,490,146**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	20,441,212	**20,441,212**
Other comprehensive gain/(loss)	-	**-**	**-**	**-**	(269,138)	269,072	-	**(66)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(269,138)**	**269,072**	**20,441,212**	**20,441,146**
Balance as at 31 March 2018	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(9,219,409)**	**706,857**	**100,201,260**	**109,931,292**

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2018	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(9,219,409)**	**706,857**	**100,201,260**	**109,931,292**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	31,749,077	**31,749,077**
Other comprehensive loss	-	**-**	**-**	**-**	(3,228,735)	71,475	-	**(3,157,260)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(3,228,735)**	**71,475**	**31,749,077**	**28,591,817**
Balance as at 31 March 2019	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(12,448,144)**	**778,332**	**131,950,337**	**138,523,109**

(The accompanying notes are an integral part of the Consolidated Financial Statements)

Consolidated Statement of Cash Flows

(All amounts in United States Dollars, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
(A) Cash flow from operating activities		
Profit before tax	**40,837,070**	**27,763,755**
Adjustments		
Depreciation and amortization	5,188,390	5,070,283
Loss/(Profit) on disposal of property, plant and equipment	(17,373)	(19,036)
Trade receivables written-off/provision for doubtful debts	1,602,031	3,554
Sundry balances written back	(689)	(338)
Unrealised foreign exchange gain	(1,569,093)	(312,699)
Finance income	(820,064)	(601,788)
Finance cost	5,300,395	6,181,696
	50,520,667	**38,085,427**
Changes in operating assets and liabilities		
(Increase)/ Decrease in trade and other receivables	(11,940,521)	(1,740,999)
(Increase)/ Decrease in other assets (current and non-current)	(1,022,891)	1,203,680
Increase / (Decrease) Non-current liabilities, trade payables & other current liabilities	(769,048)	4,742,838
(Decrease)/ Increase in employee benefit obligations	202,606	212,088
Cash generated from operations	**36,990,813**	**42,503,034**
Income taxes paid	(4,640,630)	(3,339,669)
Net cash generated from operating activities	**32,350,183**	**39,163,365**
(B) Cash flow for investing activities		
Payments for purchase of property plant and equipment	(4,540,172)	(1,404,573)
Redemption of fixed deposit	1,838,717	1,905,545
Investment in fixed deposit	(1,993,675)	(3,495,333)
Proceeds from disposal of property, plant & equipment	23,114	25,143
Payments for purchase of other intangible assets	(576,081)	(357,658)
Interest received	774,379	599,941
Net cash used in investing activities	**(4,473,718)**	**(2,726,935)**

(C) Cash flow from financing activities		
Interest paid	(4,547,832)	(5,335,231)
Repayment of borrowings	(14,249,572)	(16,111,803)
Net cash used in financing activities	**(18,797,404)**	**(21,447,034)**
Net increase/(decrease) in cash and cash equivalents	**9,079,061**	**14,989,396**
Cash and cash equivalents at the beginning of the year	33,371,550	18,234,525
Effect of exchange rate changes on cash	(46,330)	147,629
Cash and cash equivalents at the end of the year	**42,404,281**	**33,371,550**
Cash and cash equivalents comprise		
Cash in hand	8,161	13,169
Balances with banks in current account	42,405,054	33,761,367
Bank overdraft	(8,934)	(402,986)
	42,404,281	**33,371,550**

(The accompanying notes are an integral part of these Consolidated Financial Statements)

Notes to the Consolidated Financial Statements

(All amounts in United States Dollars, unless otherwise stated)

1. INTRODUCTION

iEnergizer Limited (the 'Company' or 'iEnergizer') was incorporated in Guernsey on 12 May 2010. It is a 'Company limited by shares' and is domiciled in Guernsey. The registered office of the Company is located at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH. iEnergizer was listed on the Alternative Investment Market ('AIM') of the London Stock Exchange on 14 September 2010.

iEnergizer through its subsidiaries iEnergizer Holdings Limited, iEnergizer IT Services Private Limited, iEnergizer Management Services Limited, iEnergizer BPO Limited, iEnergizer Aptara Limited and Aptara Inc. and subsidiaries (together the 'Group') is engaged in the business of call centre operations, providing business process outsourcing (BPO) and content delivery services to their customers, who are primarily based in the United States of America and India, from its operating offices in Mauritius and India.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The consolidated financial statements of the Group for the year ended 31 March 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union (EU) under the historical cost convention on the accrual basis except for certain financial instruments and some of the employee benefits which are in accordance with IFRS 9 and IAS 19, being measured at fair values.

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarized below. The consolidated financial statements have been prepared on a going concern basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF CONSOLIDATION

The Group's consolidated financial statements include financial statements of iEnergizer Limited, the parent company and all of its subsidiaries for the year ended 31 March 2019. Subsidiaries are entities over which the Group has the power to control. Control exists when the parent has power to control the financial and operating policies of the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. iEnergizer obtains and exercises control through more than half of the voting rights of the entity.
All intra-group balances, transactions, income and expenses including unrealized income or expenses are eliminated in full on consolidation. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

3.2 FOREIGN CURRENCY TRANSLATION

These consolidated financial statements are presented in USD ('United States Dollar'), which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statement of each entity are measured using that functional currency. The functional currency of each entity has been determined on the basis of the primary economic environment in which each entity of the Group operates.

a. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date and the resultant foreign exchange gain or loss on re-measurement of monetary item or settlement of such transactions are recognized in the consolidated income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

b. Group companies

In the Group's consolidated financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than USD (the Group's presentation currency) are translated into USD upon consolidation. The functional currencies of the entities in the Group have remained unchanged during the reporting period.

The assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their consolidated statements of comprehensive income are translated at average exchange rates where this is a reasonable approximation to actual rates during the year. The exchange differences arising on the translation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the consolidated income statement. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into USD at the closing rate.

3.3 REVENUE RECOGNITION

The Company has adopted IFRS 15 with effect from 1 April 2018 and accordingly these financial statements have been prepared in accordance with recognition and measurement principals laid down in IFRS 15 'Revenue from Contracts with Customer'. There is no impact on adoption of IFRS 15 on revenue from contracts.

IFRS 15 provides a control-based revenue recognition model and to determine whether to recognize revenue, the Company follows a 5-step process:

1) Identification of the contracts with the customer
2) Identification of the performance obligations in the contract
3) Determination of the transaction price
4) Allocation of transaction price to the performance obligations in the contract(as identified in step ii)
5) Recognition of revenue when performance obligation is satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Revenue is measured at transaction price which is the amount of consideration to which Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, taxes or duties).

Rendering of services

Revenue comprises revenue from business process outsourcing and also content process outsourcing solutions. These services are rendered through contractual arrangements entered into with customers by the Group companies.

Revenue from call business process outsourcing is primarily recognized by reference to hours/ daily basis as the time is incurred and revenue is recognized over the time basis. Customers are invoiced on monthly basis.

Content process outsourcing solutions are primarily on fixed price contract basis on which revenue qualifies to be recognised over a period of time, though the Company cannot reasonably measure its progress towards complete satisfaction of the performance obligation, therefore revenue is recognised only upon full satisfaction of the performance obligation and deemed to be acceptance by the customers.

Finance income

Finance income consists of interest income on funds invested. Finance income is recognized as it accrues in the consolidated income statement, using the effective interest rate method.

3.4 PROPERTY, PLANT AND EQUIPMENT

Items of plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated income statement as incurred.

Assets acquired under finance leases are capitalized as assets by the Group at the lower of the fair value of the leased property or the present value of the related lease payments or where applicable, the estimated fair value of such assets at the inception of the lease. Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Asset	Useful Life
Computers and data equipment	1 to 6 years
Office equipment	5 years
Furniture and fixtures	10 years
Plant and machinery	6 to15 years
Air conditioners and generators	6 to15 years
Vehicles	8 to 10 years

Leasehold improvements are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership of the leased asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement when the asset is de-recognized.

The assets' useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Advances paid for the acquisition of property, plant and equipment outstanding at the end of reporting period and the cost of property, plant and equipment not put to use before such date are disclosed as 'Capital work-in-progress'.

3.5 GOODWILL

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses. The impairment analysis of goodwill is carried out annually at cash generating unit (CGU) level to evaluate whether events or changes have occurred that would suggest an impairment of carrying value.

3.6 OTHER INTANGIBLE ASSETS

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

Intangible assets are amortized over their useful economic life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangibles with finite useful lives are amortized on a straight line basis. The amortization period and the amortization method for an intangible asset are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from the de-recognition 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 consolidated income statement when the asset is de-recognized.

Useful lives are reviewed at each reporting date. In addition, intangibles with indefinite useful lives are subject to impairment testing annually. Amortization has been included within 'depreciation and amortization'. The following useful lives are applied:

- Software: 2-5 years
- Customer contracts and relationships: 2-7 years
- Trademark and patents (having indefinite life): Tested for impairment annually

3.7 LEASES

Determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in the consolidated income statement.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the consolidated income statement on a straight line basis over the lease term. Rent abatements and escalations are considered in the calculation of minimum lease payments in the Group's capital lease testing and in determining straight line rent expense for operating leases.

3.8 ACCOUNTING FOR INCOME TAXES

Income tax expense recognized in the consolidated income statement comprise of current and deferred tax. Income tax expense is recognized in the consolidated income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively. Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
Deferred income tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred income tax is not recognized for the following temporary differences:

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and
(ii) Differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognized for taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates and laws that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. 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.
Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in the consolidated income statement, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax in respect of undistributed earnings of subsidiaries is recognized except where the Group is able to control the timing of the reversal of the temporary difference and that the temporary difference will not reverse in the foreseeable future.

Deferred tax asset/liability has been recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilized.

3.9 POST EMPLOYMENT BENEFITS, SHORT-TERM AND LONG TERM EMPLOYEE BENEFITS AND EMPLOYEE COSTS

The Group provides post-employment benefits through defined contribution plans as well as defined benefit plans.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and other social securities which are defined contribution plans are recognized as an employee benefit expense in the consolidated income statement when they are incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group.

Liabilities with regard to the defined benefit plans are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profits in the consolidated statement of comprehensive income. The net interest cost, past service cost and current service cost is recognized in the consolidated income statement.

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Group's policy and receive cash in lieu thereof. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Group expects to pay/incur as a

result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

3.10 IMPAIRMENT TESTING OF FINANCIAL ASSETS, GOODWILL, INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

An impairment loss, in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. All impairment losses are recognized in the consolidated income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the consolidated income statement.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination and represent the lowest level within the Group at which management monitors goodwill.

An impairment loss is recognized if the carrying amount of an asset or the cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated income statement. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.11 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is de-recognized when it is extinguished, discharged, cancelled or expires.

Financial assets

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through comprehensive income (FVOCI)

In the periods presented, the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):
• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Financial assets at fair value through other comprehensive income (FVOCI)
The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

• they are held under a business model whose objective it is “hold to collect” the associated cash flows and sell and

• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets
IFRS 9’s impairment requirements use more forward-looking information to recognise expected credit losses– the ‘expected credit loss (ECL) model’. This replaced IAS 39’s ‘incurred loss model’. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flow comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from inception and which are subject to an insignificant risk of changes in value.

Restricted deposits

Restricted deposits consist of deposits pledged with government authorities for the Group’s Indian subsidiaries and deposits restricted as to usage under lien to banks for guarantees given by the Company.

Others

Other non-derivative financial instruments are measured at amortized cost using the effective interest rate method, less any impairment losses.

The Group holds derivative financial instruments to hedge its foreign currency exposure. The Group does not apply hedge accounting to these instruments.

Derivatives are recognized initially at fair value; transaction costs are recognized in the consolidated income statement when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in the consolidated income statement.

Financial liabilities

The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments. Trade and other payables and borrowings are initially measured at fair value and subsequently measured at amortized cost using effective interest rate method. They are included in the consolidated statement of financial position line items 'long-term borrowings' and 'trade and other payables'.

Financial liabilities are recognized when the Group becomes a party to the contractual agreements of the instrument. All interest related charges is recognized as an expense in "finance cost" in the consolidated income statement.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

3.12 OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset against each other and the net amount reported in the consolidated statement of financial position only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when present obligations as a result of past events will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of reporting period, including the risks and uncertainties associated with the present obligation.

In those cases, where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the consolidated statement of financial position.
Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.14 BUSINESS COMBINATIONS

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognizes identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognized in the acquirer's financial statements prior to the acquisition.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognized amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognized in the consolidated income statement immediately.

For common control transactions, not covered under IFRS 3 (revised), the Group applies pooling of interest method. Under a pooling of interests-type method, the acquirer accounts for the combination as follows:

- The assets and liabilities of the acquiree are recorded at book value not fair value (although adjustments should be recorded to achieve uniform accounting policies);
- Intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable IFRS (in particular IAS 38);
- No goodwill is recorded. The difference between the acquirer's cost of investment and the acquiree's equity is presented as a separate reserve within equity on consolidation;
- Any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities (as adjusted to achieve uniform accounting policies);
- Any expenses of the combination are written off immediately in the the consolidated income statement;
- Comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

3.15 EQUITY

Share capital is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from additional paid-in capital, net of any related income tax benefits.

Foreign currency translation differences on translation of foreign operations are included in the currency translation reserve.

Other components of equity include the following:

- Re-measurement of net defined benefit liability – comprises the actuarial losses from changes in actuarial assumptions and the return on plan assets
- translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group’s foreign entities into USD

Retained earnings include all current and prior period earnings, as disclosed in the consolidated income statement.

Share compensation reserve includes cumulative share-based remuneration recognized as an expense in consolidated income statement.

The balance on the merger reserve represents excess of the fair value of the consideration paid over the book value of net assets acquired in a common control transaction accounted for using pooling of interest method.

All transactions with owners of the parent are recorded separately within equity.

3.16 SHARE BASED PAYMENTS

The Group operates equity-settled share based plans for one of its directors and a consultant. Where persons are rewarded using share based payments, the fair values of services rendered by director and others are determined indirectly by reference to the fair value of the equity instruments granted, where the fair value of the services received cannot be reliably measured. This fair value is calculated using the Black Scholes model at the respective measurement date. In the case of employees and others providing services, the fair value is measured at the grant date. The fair value excludes the impact of non-market vesting conditions.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates and any impact of the change is recorded in the year in which that change occurs.

3.17 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these judgments, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions which have the most significant effect on the amounts recognized in the consolidated financial information:

Significant Estimations

Goodwill impairment review
In assessing goodwill impairment, management makes judgment in identifying the cash-generating units (CGU) to which the goodwill pertains. Management then estimates the recoverable amount of each asset based on expected future cash flows. The recoverable amount of the CGU is determined based on the value-in-use calculations. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable growth and discount rate (see Note 7).

Post-employment benefits
The cost of defined employee benefit obligations and the present value of these obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, expected return on plan assets, mortality rates and attrition rates. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of high quality government bonds denominated in the respective currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases are based on expected future inflation rates for the respective countries and expected future salary increases for the respective entities. Attrition rate is based on expected future attrition rate for the respective entities. (see Note 18).

Expected credit loss on trade receivables

As at each reporting date, management uses simplified approach to estimate for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. (Note 12).

Significant Judgement

Useful lives of various assets
Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group. The carrying amounts are analysed in Notes 8 and 9. Actual results, however, may vary due to technical obsolescence.

Determination of functional currency of individual entities
Following the guidance in IAS 21 "The effects of changes in foreign exchange rates" the functional currency of each individual entity is determined by the management based on the currency of the primary economic environment in which the entity operates. The management believes that each of the individual entity's functional currency reflects the transactions, events and conditions under which the entity conducts its business.

Recognition of deferred tax assets
The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see Note 11).

4. NEW AND REVISED STANDARDS THAT ARE EFFECTIVE FOR ANNUAL PERIOD BEGINNING ON OR AFTER 1 JANUARY 2018, WHICH HAS AN IMPACT ON THE GROUP

• IFRS 9 Financial Instruments Classification and Measurement
In July 2014, the IASB completed its project to replace IAS 39, Financial Instruments: Recognition and Measurement by publishing the final version of IFRS 9: Financial Instruments. IFRS 9 introduces a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. IFRS 9 also includes new guidance regarding the application of hedge accounting to better reflect an entity's risk management activities especially with regard to managing non-financial risks.

• IFRS 15 Revenue from contracts with customers
IFRS 15 supersedes all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations). According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 establishes a five step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. There is no significant impact on adoption of IFRS 15 on revenue from contracts.

5. STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED BY THE GROUP

Summarized in the paragraphs below are standards, interpretations or amendments that have been issued prior to the date of approval of these consolidated financial statements and will be applicable for transactions in the Group but are not yet effective. These have not been adopted early by the Group and accordingly, have not been considered in the preparation of the consolidated financial statements of the Group.

Management anticipates that all of these pronouncements will be adopted by the Group in the first accounting period beginning after the effective date of each of the pronouncements. Information on the new standards, interpretations and amendments that are expected to be relevant to the Group's consolidated financial statements is provided below.

• **IFRS 16 *Leases***

On 13 January 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after 1 April 2019. The Company is in the process of making an assessment of the impact of Ind AS 116 upon initial application.

Other Standards and amendments that are not yet effective and have not been adopted early by the Group include:

• IFRS 17 Insurance Contracts
• Definition of a Business (Amendments to IFRS 3)
• Definition of Material (Amendments to IAS 1 and IAS 8)
• Conceptual Framework for Financial Reporting

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore the disclosures have not been made. However, whilst they do not affect these financials statements, they will impact some entities. Entities should assess the anticipated impact of these new Standards and amendments on their financial statements based on their own facts and circumstances and make appropriate disclosures.

6. BASIS OF CONSOLIDATION

Composition of the Group

Details of the entities, which as of 31 March 2019 and 31 March 2018 form part of the Group and are consolidated under iEnergizer are as follows:

Name of the entity	Holding company	Country of incorporation	Effective group shareholding (%) as of 31 March 2019 and 31 March 2018
iEnergizer Holdings Limited ('IHL')	iEnergizer	Mauritius	100
iEnergizer IT Services Private Limited ('IITS')	IHL	India	100
iEnergizer BPO Limited	IHL	Mauritius	100
iEnergizer Management Services Limited	iEnergizer	Hong Kong	100
Aptara Inc.	iEnergizer	USA	100
Techbooks International Private Limited	Aptara Inc.	India	100
Techbooks Electronic Services Private Limited	Aptara Inc.	India	100
Global Content Transformation Private Limited	Aptara Inc.	India	100
Aptara Learning Private Limited	Aptara Inc.	India	100
Aptara New Media Private Limited	Aptara Inc.	India	100
Aptara Technologies Private Limited	Aptara Inc.	India	100
iEnergizer Aptara Limited	iEnergizer	Mauritius	100

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7. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

Particulars	Amount
Balance as at 01 April 2017	**102,265,472**
Impairment loss recognized	-
Translation adjustment	(386)
Balance as at 31 March 2018	**102,265,086**

Particulars	Amount
Balance as at 01 April 2018	**102,265,086**
Impairment loss recognized	-
Translation adjustment	(8,421)
Balance as at 31 March 2019	**102,256,665**

For the purpose of annual impairment testing goodwill is allocated to the following Cash Generating Unit (CGU), which are expected to benefit from the synergies of the business combinations in which the goodwill arises.

Particulars	Amount	Amount
	As at 31 March 2019	**As at 31 March 2018**
Business process outsourcing - India business unit	121,841	130,247
Content delivery – USA business unit	102,134,824	102,134,839
Goodwill allocation	**102,256,665**	**102,265,086**

The recoverable amounts of the CGU were determined based on value-in-use calculations, by applying Free Cash Flow to Firm ('FCFF') method, covering a four year forecast of expected cash flows and the terminal value for the unit's remaining useful lives using the growth rates stated below:

Particulars	Growth rate 31 March 2019	Discount rate 31 March 2019
Business process outsourcing - India business unit	10.50%	14.79%
Content delivery – USA business unit	9.00%	14.79%

Particulars	Growth rate 31 March 2018	Discount rate 31 March 2018
Business process outsourcing - India business unit	10.50%	13.45%
Content delivery – USA business unit	9.00%	13.45%

The key assumptions for Content delivery-USA business unit are as follows:

Management considers 'Content Delivery' business as one product line/services and therefore as one group of similar assets for internal management reporting purposes. It 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. The goodwill is therefore allocated to this unit and accordingly tested for impairment.

Growth rates

The forecasted growth rates are based on management estimation derived from past experience, comparable company data and external sources of information available. The Group is expected to continue to grow at the above rates for the foreseeable future as it is getting work from customers on a continued basis rather than one-time work.

Discount rates

Discount rates reflect management's estimates of the risks specific to the business. The pre-tax discount rates used are based on the weighted average cost of capital of the relevant underlying cash-generating unit.

Cash flow assumptions

Estimated cash flows for 4 years based on internal management budgets prepared using past experience. Management's key assumptions include stable profit margins, based on past experience in this market. The Group's management believes that this is the best available input for forecasting this mature market. Cash flow projections reflect stable profit margins going forward and prices and wages reflect publicly available forecasts of inflation for the industry.

Terminal value

Terminal value for the USA business unit is arrived by applying 10.1x multiple to the LTM EBITDA in the last year of the explicit forecast period. This long-term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.

These assumptions are based on past experience and are consistent with market information.

Sensitivity analysis of key assumptions

Item	Valuation technique	Key assumptions	Input	Sensitivity to the input to fair value
Goodwill	Free Cash Flow to Firm ('FCFF') method	Growth rate	9%	5% increase (decrease) in growth rate would result in increase (decrease) enterprise value by $3.29m and ($3.29m) respectively
		Discount rate	14.79 %	5% increase (decrease) in discount rate would result in (decrease) increase of enterprise value by ($4.9m) $5.6m respectively
		H-Model - long term growth rate	2.30%	5% increase (decrease) in terminal value result in increase (decrease) in fair value o f the goodwill by $0.47m($0.46m) respectively

8. OTHER INTANGIBLE ASSETS

The other intangible assets comprise of the following:

Particulars	Customer contracts*	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2017	24,122,664	3,241,435	100,000	12,000,000	132,490	39,596,589
Additions	-	357,658				357,658
Disposals	-	-	-	-	-	-
Translation adjustment	(432)	(9,655)	-	-	-	(10,087)
Balance as at 31 March 2018	**24,122,232**	**3,589,438**	**100,000**	**12,000,000**	**132,490**	**39,944,160**
Accumulated amortisation						
Balance as at 01 April 2017	19,027,100	2,868,051	-	-	132,490	22,027,641
Amortisation/ impairment for the period	2,779,416	378,239	-	-	-	3,157,655
Disposals	-	-	-	-	-	-
Translation adjustment	(432)	(11,172)	-	-	-	(11,604)
Balance as at 31 March 2018	**21,806,084**	**3,235,118**	**-**	**-**	**132,490**	**25,173,692**
Carrying values as at 31 March 2018	**2,316,148**	**354,320**	**100,000**	**12,000,000**	**-**	**14,770,468**

*Customer contracts are intangible assets created for long standing customer relationships content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is USD 2,316,148 and remaining amortization period is 0.8 years.

Particulars	Customer contracts*	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2018	24,122,232	3,589,438	100,000	12,000,000	132,490	39,944,160
Additions	-	576,081				576,081
Disposals	-	-	-	-	-	-
Translation adjustment	(9,418)	(221,500)	-	-	-	(230,918)
Balance as at 31 March 2019	**24,112,814**	**3,944,019**	**100,000**	**12,000,000**	**132,490**	**40,289,323**
Accumulated amortisation						
Balance as at 01 April 2018	21,806,084	3,235,118	-	-	132,490	25,173,692
Amortisation/ impairment for the period	2,316,148	523,642	-	-	-	2,839,790
Disposals	-	-	-	-	-	-
Translation adjustment	(9,418)	(198,794)	-	-	-	(208,212)
Balance as at 31 March 2019	**24,112,814**	**3,559,966**	**-**	**-**	**132,490**	**27,805,270**
Carrying values as at 31 March 2019	**-**	**384,053**	**100,000**	**12,000,000**	**-**	**12,484,053**

*Customer contracts are intangible assets created for long standing customer relationships content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is Nil.

Intangible assets with indefinite useful lives

Trademark relate to Group's branding in publishing industry and are associated with its long standing history in the trade and its working relationship with big publishing houses in the world. It distinguishes the Group in Content delivery segment from competition. The Company has developed a proprietary technology platform, comprising a standardized set of technological tools namely Powersuite, PXE4, PowerLearn, PowerL2X, Power Eye, BaKoMa Plug-in through an extensive research and development initiative which thereby gives the Company an edge over its competitors. The management believes that the Group's branding would continue to contribute towards revenue growth in perpetuity and the value is not expected to diminish in the foreseeable future. Accordingly, the useful lives have been determined to be indefinite.

For the purpose of annual impairment testing trademark and patent is allocated to the 'Content delivery' business of the Company with respect to the US business unit.

The net carrying amount of intangible assets with indefinite lives can be analysed as follows:

Particulars	**Amount**
Balance as at 01 April 2017	12,100,000
Impairment loss recognized	-
Translation adjustment	-
Balance as at 31 March 2018	**12,100,000**

Particulars	**Amount**
Balance as at 01 April 2018	12,100,000
Impairment loss recognized	-
Translation adjustment	-
Balance as at 31 March 2019	**12,100,000**

The recoverable amounts of the CGU was determined based on value-in-use calculations, by applying Free Cash Flow to Firm ('FCFF') method, covering a four year forecast, followed by an extrapolation of expected cash flows for the unit's remaining useful lives.

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9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Capital work in progress	Total
Cost									
Balance as at 01 April 2017	5,078,296	860,778	1,261,393	360,346	30,181	4,380,935	2,175,170	-	14,147,099
Additions	1,100,919	18,077	2,263	22,700	6,930	34,913	96,240	122,531	1,404,573
Disposals (Net)	(48,009)	(2,222)	(12,944)	(3,716)	-	(2,238)	(9,569)	-	(78,698)
Translation and other adjustment	(21,385)	(2,340)	(3,427)	(1,093)	(45)	(13,012)	(5,787)	-	(47,089)
Balance as at 31 March 2018	**6,109,821**	**874,293**	**1,247,285**	**378,237**	**37,066**	**4,400,598**	**2,256,054**	**122,531**	**15,425,885**
Accumulated depreciation									
Balance as at 01 April 2017	**3,928,259**	**584,284**	**669,944**	**170,828**	**29,289**	**2,081,895**	**1,510,606**	**-**	**8,975,105**
Depreciation for the year	918,222	139,744	85,720	39,026	1,534	475,450	252,932	-	1,912,628
Disposals (Net)	(45,243)	(2,222)	(12,944)	(375)	-	(2,238)	(9,569)	-	(72,591)
Translation and other adjustments	(18,714)	(2,502)	(2,363)	(822)	(55)	(9,704)	(5,785)	-	(39,945)
Balance as at 31 March 2018	**4,782,524**	**719,304**	**740,357**	**208,657**	**30,768**	**2,545,403**	**1,748,184**	**-**	**10,775,197**
Carrying values as at 31 March 2018	**1,327,297**	**154,989**	**506,928**	**169,580**	**6,298**	**1,855,195**	**507,870**	**122,531**	**4,650,688**

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Capital work in progress	Total
Cost									
Balance as at 01 April 2018	6,109,821	874,293	1,247,285	378,237	37,066	4,400,598	2,256,054	122,531	15,425,885
Additions	2,741,100	43,318	284,368	565,532	-	593,856	210,222	101,777	4,540,173

Disposals (Net)	(121,154)	(12,438)	(20,576)	(5,678)	(14,885)	-	(18,356)	**-**	(193,087)
Translation and other adjustment	(323,214)	(50,401)	(72,347)	(21,372)	(1,434)	(277,327)	(131,350)	**-**	(877,445)
Balance as at 31 March 2019	**8,406,553**	**854,772**	**1,438,730**	**916,719**	**20,747**	**4,717,127**	**2,316,570**	**224,308**	**18,895,526**
Accumulated depreciation									
Balance as at 01 April 2018	**4,782,524**	**719,304**	**740,357**	**208,657**	**30,768**	**2,545,403**	**1,748,184**	**-**	**10,775,197**
Depreciation for the year	1,158,555	111,228	316,403	66,624	1,697	457,759	236,334	-	2,348,600
Disposals (Net)	(121,154)	(12,366)	(20,559)	(26)	(14,885)	-	(18,356)	-	(187,346)
Translation and other adjustments	(297,468)	(40,102)	(40,177)	(13,150)	(1,019)	(156,878)	(99,203)	-	(647,997)
Balance as at 31 March 2019	**5,522,457**	**778,064**	**996,024**	**262,105**	**16,561**	**2,846,284**	**1,866,959**	**-**	**12,288,454**
Carrying values as at 31 March 2019	**2,884,096**	**76,708**	**442,706**	**654,614**	**4,186**	**1,870,843**	**449,611**	**224,308**	**6,607,072**

10 LONG TERM FINANCIAL ASSETS

Particulars	31 March 2019	31 March 2018
Security deposits	507,498	416,167
Restricted cash	108,591	72,279
Fixed deposit with banks	1,065,892	62,088
	1,681,981	**550,534**

Security deposits are interest free unsecured deposits placed with owners of the property leased in India to the Group for operations in operating centres. The above security deposits have been discounted to arrive at their fair values at initial recognition using market interest rates applicable in India which approximates 8% per annum. These security deposits have maturity terms of 1-14 years. The management estimates the fair value of these deposits to be not materially different from the amounts recognized in the financial statements at amortized cost at each reporting date.

Restricted cash represents deposits that have been pledged with reputable banks against guarantees issued to tax and other local authorities as security to meet contractual obligations towards other parties along with accrued interest on these deposits which is also inaccessible for use by the Group. These deposits have an average maturity period of more than 12 months from the end of the financial year.

Fixed deposits with banks represents deposits with reputable banks have an average maturity period of more than 12 months from the end of the financial year.

The credit analysis has been performed as per the IFRS 9 requirement, whereas same has no impact on the long term financial assets.

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11 DEFERRED TAX ASSETS AND LIABILITIES

Particulars	31 March 2018	Exchange difference on translation of foreign operations	Other amounts recognized in consolidated statement of other comprehensive income	Recognized in consolidated income statement	31 March 2019
Deferred tax assets on account of :					
Property, plant and equipment and intangibles	940,712	(28,184)	-	209,199	1,121,727
Employee benefits	1,029,598	(65,582)	29,365	147,080	1,140,461
Net operating losses	3,686,473	-	-	(1,301,805)	2,384,668
Accruals for expenses	584,936	(30,313)	-	(8,338)	546,285
Unrealized gain/ (loss) on derivatives	1,249	-	-	20,451	21,700
Minimum alternate tax	1,308,874	(84,606)	-	52,651	1,276,919
Undistributed earnings of the subsidiaries	1,837,679	-	-	(1,837,679)	-
Others	930,119	(13,076)	-	(746,108)	170,935
Total (A)	**10,319,640**	**(221,761)**	**29,365**	**(3,464,549)**	**6,662,695**
Deferred tax liabilities on account of :					
Intangibles acquired during business combination	386,055	-	-	(386,055)	-
Undistributed earnings of the subsidiaries	9,303,644	(594,196)	-	1,716,640	10,426,088
Unrealized gain/ (loss) on derivatives	3,555		-	(3,555)	-
Others	86,759	(1,644)			85,115
Total (B)	**9,780,013**	**(595,840)**	-	**1,327,030**	**10,511,203**
Total (A-B)	**539,627**				**(3,848,508)**

Amounts presented in consolidated statement of financial position

	31 March 2018				31 March 2019
Deferred tax assets	7,915,205	-	-	-	4,726,068
Deferred tax liabilities	(7,375,578)	-	-	-	(8,574,576)
Net	**539,627**	-	-	-	**(3,848,508)**

The amounts recognized in other comprehensive income relate to exchange differences on translating foreign operations and the re-measurement of net defined benefit liability. Refer consolidated statement of comprehensive income for the income tax relating to these components of other comprehensive income.

In assessing the realizability of deferred tax assets, the Company considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon

the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

The Company has recognized deferred tax assets of USD 2,384,668 in respect of carry forward losses of its various subsidiaries as at 31 March 2019. Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize these deferred tax assets.

As part of US tax reform, enacted 22 December 2017, the US transformed into a territorial tax regime. The current earnings of Aptara Inc.'s (subsidiary company) controlled foreign corporations are taxed currently under the Global Intangible Low Taxed Income (GILTI) provisions whether or not remitted. This is a permanent adjustment that increases current taxable income and utilizes additional Net Operating losses (NOL). Since current tax paid by the controlled foreign corporation will now be contemplated as part of the net GILTI inclusion and GILTI Foreign Tax Credits are not eligible for carry forward, the DTA of USD 1,873,679, for the US benefit of Indian DDT has been written off.

12 TRADE AND OTHER RECEIVABLES

Particulars	31 March 2019	31 March 2018
Trade receivables		
Gross value	40,684,272	30,528,923
Less: Provision for bad and doubtful debts	(2,216,112)	(721,980)
Less: Rebate accrued to the customer during the year	(1,793,241)	(2,461,485)
Net value	36,674,919	27,345,458
Other receivables		
Gross value	63,984	68,863
Less: Provision for bad and doubtful receivables	(63,561)	(67,954)
Net value	423	909
	36,675,342	**27,346,367**

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realize within a short period from the reporting dates. All of the Group's trade and other receivables have been reviewed for indicators of impairment.

Gross value of top five customer balances for the year ended 31 March 2019 amounts to USD 13,675,854 which constitutes 37.29 % (31 March 2018: USD 9,574,952 being 35.01 %) of net trade receivables.

All of the Group's trade and other receivables have been reviewed as per the requirement of IFRS 9 expected credit loss. Out of the total receivable an allowance for credit losses of USD 1,602,031 (31 March 2018: USD 3,554) has been recorded accordingly within other expenses.
The analysis of provision for expected credit loss is as follows:

Particulars	31 March 2019	31 March 2018
Opening balance	721,980	830,533
Charge during the year	1,602,031	3,554

Particulars	31 March 2019	31 March 2018
Provision reversed	(107,899)	(112,107)
Closing balance	**2,216,112**	**721,980**

The analysis for provision for expected credit loss of other receivables is as follows:

Particulars	31 March 2019	31 March 2018
Opening balance	67,954	68,156
Charge during the year	-	-
Provision utilized	(4,393)	(202)
Closing balance	**63,561**	**67,954**

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain:

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

The analysis of rebate accruals is as follows:

Particulars	31 March 2019	31 March 2018
Opening balance	2,461,485	2,559,825
Less: Rebates utilized during the period	(1,204,298)	(1,603,557)
Add: Rebates provided to customers during the year	536,054	1,505,217
Closing balance	**1,793,241**	**2,461,485**

13 CASH AND CASH EQUIVALENTS

Particulars	31 March 2019	31 March 2018
Cash in hand	8,161	13,169
Cash in current accounts	42,405,054	33,761,367
	42,413,215	**33,774,536**

14 SHORT TERM FINANCIAL ASSETS

Particulars	31 March 2019	31 March 2018
Security deposits	11,985	122,122
Restricted cash	4,747,604	3,037,622
Short term investments (fixed deposits with maturity less than 12 months)	1,803,959	4,461,187
Derivative financial instruments	426,984	13,304
Due from officers and employees	20,032	38,225
Others	47,891	2,206
	7,058,455	**7,674,666**

Short term investments comprise of investment through reputable banks in deposits denominated in various currency units bearing fixed rate of interest.

The credit risk on short term financial assets considered to be negligible as significant amount represents counterparties of reputable banks with high quality external credit rating.

15 OTHER CURRENT ASSETS

Particulars	31 March 2019	31 March 2018
Prepayments	1,960,108	2,059,268
Statutory dues recoverable	1,178,524	643,014
Others	181,870	163,917
	3,320,502	**2,866,199**

16 LONG TERM BORROWINGS AND CURRENT PORTION OF LONG TERM BORROWING

Particulars	31 March 2019	31 March 2018
Finance lease obligation	51,493	193,835
Term loan*	46,222,538	59,577,205
Total borrowings	**46,274,031**	**59,771,040**
Less: Current portion of long term borrowings		
Finance lease obligation	36,526	139,822
Term loan*	45,366,970	13,592,849
Current Portion of Long Term Borrowings	**45,403,496**	**13,732,671**
Long Term Borrowings	**870,535**	**46,038,369**

* As on 31 March 2019 out of the total term loan of USD 46,222,538 one of the major term loan outstanding as on date for USD 45,037,016 bears interest at a rate per annum equal to Alternate Base Rate currently at one-month LIBOR plus 6% per annum. Said term loan is having final maturity date on 30 April 2019 and has been classified as current borrowings, whereas subsequent to the balance sheet date, the Company has entered into a refinancing arrangement for its existing loans for a further period of 5 years.
The term loan is secured by all the assets of iEnergizer Limited and its subsidiaries Aptara Inc., iEnergizer Holdings Limited and iEnergizer Aptara Limited.

Short term borrowings

The short term borrowings comprise a bank overdraft facility amounting to USD 8,934 (31 March 2018: USD 402,986) obtained from the bank. It carries interest at the fixed deposit rate plus 2% per annum.

The overdraft limit would be released equivalent to 90% of the fixed deposit amount under lien.

17 TRADE AND OTHER PAYABLES

Particulars	31 March 2019	31 March 2018
Due to trade creditors	6,921,608	10,376,195
Other accrued expenses	3,653,288	2,881,998
	10,574,896	**13,258,193**

18 EMPLOYEE BENEFIT OBLIGATIONS

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group. Employee benefit obligations include the components as follows:

Particulars	31 March 2019			31 March 2018		
	Current	Non-current	Total	Current	Non-current	Total
Provision for gratuity	389,051	2,057,529	2,446,580	299,618	2,141,474	2,441,092
Provision for compensated absences	279,658	1,482,259	1,761,917	219,243	1,554,974	1,774,217
Accrued pension liability	189,675	561,309	750,984	181,900	504,260	686,160
	858,384	**4,101,097**	**4,959,481**	**700,761**	**4,200,708**	**4,901,469**

Gratuity

The Group provides gratuity benefit to its employees working in India. The gratuity plan is a defined benefit plan that, at retirement or termination of employment, provides eligible employees with a lump sum payment, which is a function of the last drawn salary and completed years of service.

Compensated absences

The Group has accumulating compensated absences policy. The Group measures the expected cost of accumulating compensated absences as the additional amount expected to be paid or availed as a result of the unused entitlement that has accumulated at the end of reporting period.

Accrued pension

The Group sponsors a non-contributory defined benefit pension plan (the "DB Plan") covering all full-time employees of one of its subsidiaries meeting specified entry-age requirements. Pension benefits are based upon a formula contained in the DB Plan documents that takes into consideration years of service. The Company's funding policy is based on actuarial recommended contribution. The actuarial cost method utilized to calculate the present value of benefit obligations is the projected unit credit cost method. The DB Plan assets are held by a bank, as trustee, principally in the form of mutual fund units, money market securities, corporate bonds, and U.S. government securities. The DB Plan has no liabilities.

The defined benefit obligation is calculated annually by an independent actuary using projected unit credit method. Changes in the present value of the defined benefit obligation with respect to gratuity and accrued pension liability are as follows:

	31 March 2019	
Particulars	Gratuity	Accrued pension

Particulars	Gratuity	Accrued pension
Change in benefit obligation		
Opening value of obligation	2,533,698	2,857,791
Interest expense	181,622	109,267
Current service cost	360,438	-
Past service cost	-	-
Benefits paid	(324,334)	(176,286)
Re-measurement - actuarial (gains)/ losses from changes in assumptions	(100,840)	63,234
Translation adjustment	(163,209)	-
Defined benefit obligation at the year end	**2,487,375**	**2,854,006**
Fair value of planned assets	(40,795)	(2,103,022)
Defined benefit obligation at the year end (net)	2,446,580	750,984

Expenses related to the Company's defined benefit plans are as follows:

	31 March 2019	
Particulars	**Gratuity**	**Accrued pension**
Net benefit obligation		
Amounts recognized in consolidated income statement		
Current service cost	360,438	-
Past service cost	-	-
Net interest expense	(40,892)	(19,200)
Expense recognized in consolidated income statement	**319,546**	**(19,200)**

	31 March 2018	
Particulars	**Gratuity**	**Accrued pension**
Change in benefit obligation		
Opening value of obligation	2,578,639	2,852,773
Interest expense	177,150	113,737
Current service cost	353,742	-
Past service cost	32,330	-
Benefits paid	(186,853)	(167,818)
Re-measurement - actuarial (gains)/ losses from changes in assumptions	(413,958)	59,099
Translation adjustment	(7,352)	-
Defined benefit obligation at the year end	**2,533,698**	**2,857,791**
Fair value of planned assets	**(92,606)**	**(2,171,631)**

Particulars	Gratuity	Accrued pension
Defined benefit obligation at the year end (net)	**2,441,092**	**686,160**

Expenses related to the Company's defined benefit plans are as follows:

		31 March 2018
Particulars	**Gratuity**	**Accrued pension**
Net benefit obligation		
Amounts recognized in consolidated income statement		
Current service cost	353,742	-
Past service cost	32,330	-
Net interest expense	(256,483)	(65,447)
Expense recognized in consolidated income statement	**129,589**	**(65,447)**

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The assumptions used in calculation of gratuity obligation are as follows:

Particulars	31 March 2019	31 March 2018
Discount rate	7.6% to 7.69% p.a.	7.6% to 7.8% p.a.
Expected rate of increase in compensation levels	5.0% to 8.0% p.a.	6.0% to 8.0% p.a.
Expected rate of return on plan assets	8.00% p.a.	8.25% p.a.
Retirement age	58 years	58 years
Mortality table	IALM (2006-08)	IALM (2006-08)
Withdrawal rates		
Up to 30 years	3% to 60%	3% to 60%
From 31 to 44 years	2% to 30%	2% to 30%
Above 44 years	1% to 33.33%	1% to 37.5%

Enterprise's best estimate of contribution during the next year amounts to USD 592,953.

The assumptions used in calculation of accrued pension are as follows:

Particulars	31 March 2019	31 March 2018
Discount rate	3.83%	3.96%
Expected rate of increase in compensation levels	-	-
Expected rate of return on plan assets	7.5%	7.5%
Retirement age	65 years	65 years
Mortality table	RP-2014	RP-2014
Withdrawal rates		
Up to 30 years		
From 31 to 44 years	Refer Note 1	Refer Note 1
Above 44 years		

Note 1 : In current year, due to the small size of plan, no turnover was assumed. Prior to 31 March 2019 and 31 March 2018 a withdrawal assumption had been used to reflect an impact of the termination benefit.

Enterprise's best estimate of contribution during the next year amounts to USD 189,675.

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Plan assets

Gratuity

Particulars	31 March 2019	31 March 2018
Opening balance of fair value of plan assets	92,606	59,172
Expected return on plan assets	6,619	4,907
Employer contribution	171,625	123,945
Benefits paid	(218,358)	(91,703)
Actuarial gain/(loss) on plan assets	(5,482)	(3,263)
Exchange fluctuation	(6,215)	(452)
Closing balance of fair value of plan assets	**40,795**	**92,606**

Accrued pension

Particulars	31 March 2019	31 March 2018
Opening balance of fair value of plan assets	2,171,631	2,098,511
Fair value of asset on acquisition date	-	-
Actual return on plan assets	48,182	178,501
Employer contributions	59,495	62,437
Benefits paid	(176,286)	(167,818)
Closing balance of fair value of plan assets	**2,103,022**	**2,171,631**

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Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. The gratuity plan of the Company is administered by TATA AIA Life Insurance Company Ltd. Plan assets for gratuity and pension plans are invested in below category of investments.

Particulars	**31 March 2019**	**31 March 2018**
Gratuity:		
Quoted		
-Government bonds	4,042	13,963
- Infrastructure bonds	2,690	5,923
-Corporate bonds	1,687	4,208
Unquoted		
-Commercial paper and deposits	103	158
-Cash and cash equivalents	32,273	68,112
-Mutual Funds	-	242
Accrued Pension:		
Quoted		
- Equity mutual funds	1,159,218	1,226,403
- Fixed income	882,808	881,030
Unquoted		
- Cash and cash equivalents	60,996	64,198

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The plans expose the Group to actuarial risks such as interest rate risk, investment risk and longevity risk.

Interest rate risk
The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields on high quality corporate bonds and government bonds where there is no deep market for high quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation and it is denominated in functional currencies of respective subsidiaries. A decrease in market yield on high quality corporate bonds and government bonds will increase the Group's defined benefit liability, although it is expected that this would be offset partially by an increase in the fair value of certain of the plan assets.

Investment risk
The plan assets at 31 March 2019 are predominantly risk free government securities, money market and mutual funds. The mutual funds are significantly weighted towards international market funds.

Longevity risk
The Group is required to provide benefits for life for the members of the defined benefit liability. Increase in the life expectancy of the members will increase the defined benefit liability.

The defined benefit obligation and plan assets are composed by geographical locations as follows:

31 March 2019

Particulars	US	India	Total
Defined benefit obligation	2,854,006	2,487,375	5,341,381
Fair value of plan assets	(2,103,022)	(40,795)	(2,143,817)
	750,984	**2,446,580**	**3,197,564**

31 March 2018

Particulars	US	India	Total
Defined benefit obligation	2,857,791	2,533,698	5,391,489
Fair value of plan assets	(2,171,631)	(92,606)	(2,264,237)
	686,160	**2,441,092**	**3,127,252**

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Amounts recognized in other comprehensive income related to the Group's defined benefit plans are as follows:

Particulars	31 March 2019
Actuarial loss from changes in demographic assumptions	-
Actuarial gain from changes in financial assumptions	(8,487)
Actuarial gain from changes in experience adjustments	53,381
Return on plan assets (excluding amounts included in net interest)	(138,007)
Total expenses recognized in other comprehensive income	**(93,113)**

Particulars	31 March 2018
Actuarial loss from changes in demographic assumptions	13,118
Actuarial loss from changes in financial assumptions	(334,163)
Actuarial gain from changes in experience adjustments	(92,913)
Return on plan assets (excluding amounts included in net interest)	(135,779)
Total expenses recognized in other comprehensive income	**(549,737)**

All the expenses summarized above were included within items that will not be reclassified subsequently to the income statement in the statement of the consolidated other comprehensive income.

Other defined benefit plan information

The contributions to the defined plans are funded by the Group's subsidiaries. The funding requirements are based on the pension fund's actuarial measurement framework as set out in the funding policies.

Based on historical data, the Group expects contribution of USD 592,953 for Gratuity (31 March 2018: USD 594,639) and USD 189,675 for Accrued Pension (31 March 2018: USD 181,900) to be paid for the financial year 2019-2020.

The weighted average duration of the defined benefit obligation for Gratuity at 31 March 2019 is 6.6 years (31 March 2018: 6.6 years).

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the withdrawal rate. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarizes the effects of changes in these actuarial assumptions on the defined benefit liability:

Discount rate for Gratuity	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5 %
Increase (decrease) in the defined benefit liability	(66,790)	70,486	(82,383)	93,653

Salary growth rate for Gratuity	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5 %
Increase (decrease) in the defined benefit liability	71,420	(68,222)	94,210	(83,622)

Discount rate for Accrued Pension	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25 %
Increase (decrease) in the defined benefit liability	300	(400)	(500)	(800)

Long-term rate of return for Accrued Pension	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5 %
Increase (decrease) in the defined benefit liability	(10,500)	10,500	(10,000)	10,000

The present value of the defined benefit obligation is calculated with the same method (project unit credit) as the defined benefit obligation recognized in the statement of financial position. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Defined contribution plans

Apart from being covered under the Gratuity Plan described earlier, employees of the Group also participate in a Provident Fund Plan in India. Contributions paid or payable are recognized as expense in the period in which they are due. During the year ended 31 March 2019, the Group contributed USD 1,398,538 (31 March 2018: 1,420,365) towards the Provident Fund Plan in India.

19 OTHER CURRENT LIABILITIES

Particulars	31 March 2019	31 March 2018
Employee dues	5,737,029	3,769,116
Statutory dues payable	1,491,978	1,224,885
Unearned revenue	206,299	208,352
Advance from customers	836,020	1,331,419

Particulars	31 March 2019	31 March 2018
Others	1,454,139	1,059,684
	9,725,465	**7,593,456**

20 OTHER OPERATING INCOME

Particulars	31 March 2019	31 March 2018
Foreign exchange gain	2,059,376	312,695
Profit on sale of fixed assets	17,373	19,036
Miscellaneous income	912,014	868,817
	2,988,763	**1,200,548**

21 FINANCE INCOME

Particulars	31 March 2019	31 March 2018
Interest income on deposit accounts	611,425	525,482
Others	3,523	42
Interest on tax refund	205,116	76,264
	820,064	**601,788**

22 FINANCE COST

Particulars	31 March 2019	31 March 2018
Interest on borrowings	5,234,320	6,122,815
Interest on finance lease	66,075	58,881
Others	-	-
	5,300,395	**6,181,696**

23 INCOME TAXES

Income tax is based on the tax rate applicable in the various jurisdictions in which the Group operates. The effective tax at the domestic rates applicable to profits in the country concerned, as shown in the reconciliation below, have been computed by multiplying the accounting profit with effective tax rate in each jurisdiction in which the Group operates. The entity at Guernsey is zero tax entity.

Tax expense reported in the Consolidated Income Statement for the year ended 31 March 2019 and 31 March 2018 is as follows:

Particulars	31 March 2019	31 March 2018
Current tax expense	4,508,290	3,335,094
Deferred tax expense	4,579,703	3,987,449
Income tax expense included in consolidated income statement	**9,087,993**	**7,322,543**

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The relationship between the expected tax expense based on the domestic tax rates for each of the legal entities within the Group and the reported tax expense in the consolidated income statement is reconciled as follows:

Particulars	31 March 2019	31 March 2018
Accounting profit for the year before tax	**40,837,070**	**27,763,755**
Effective tax at the domestic rates applicable to profits in the country concerned	5,940,018	4,321,949
Deferred tax on undistributed earnings	1,376,676	609,641
Recognition of deferred tax assets on carry forward losses*	-	-
Dividend distribution tax	30,698	259,476
Income not taxable/ expenses not allowed	448,157	158,163
Change in tax rate	239,201	133,093
Change in US Tax laws	1,024,085	1,949,333
Others	29,158	(109,112)
Tax expense	**9,087,993**	**7,322,543**

24 EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

Calculation of basic and diluted earnings per share is as follows:

Basic earnings per share

Particulars	31 March 2019	31 March 2018
Profit attributable to shareholders	31,749,077	20,441,212
Weighted average number of shares outstanding	190,130,008	190,130,008
Basic earnings per share (USD)	0.17	0.11

Diluted earnings per share

Particulars	31 March 2019	31 March 2018
Profit attributable to shareholders	31,749,077	20,441,212
Potential ordinary shares	Nil	Nil
Weighted average number of shares outstanding	190,130,008	190,130,008
Diluted earnings per share (USD)	0.17	0.11

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25 LEASES

The Group's finance lease payments are due on assets taken on lease for its business operations. The net carrying value of computers and plant and machinery taken on lease as at 31 March 2019 is USD 76,821 (31 March 2018: USD 139,517).

Particulars	31 March 2019	31 March 2018
Computers and peripherals	51,493	28,091
Office equipment	-	-
Plant and machinery	-	73,570
Furniture and fixtures	20,196	28,255
Leasehold improvement	5,132	9,601
	76,821	**139,517**

The minimum lease rent payable for the assets taken on finance leases (included under current and non-current borrowings) are as under:

Payments falling due	Future minimum lease payments outstanding		Interest Implicit		Present value of future lease payments	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Within 1 year	41,028	153,583	4,502	13,762	36,526	139,821
Later than 1 year but less than 5 years	15,412	60,342	446	5,290	14,966	55,052
More than 5 years	-	-	-	-	-	-

The Group's approximate future minimum lease payments under non-cancellable operating leases are as follows:

Payments falling due	Future minimum lease payments outstanding	
	31 March 2019	31 March 2018
Within 1 year	1,166,518	1,138,492
Later than 1 year but less than 5 years	2,669,822	1,819,221
More than 5 years	-	-

Lease expense for premises taken on lease, recognized as expense in the consolidated income statement for the year ended 31 March 2019 is USD 1,773,301 (31 March 2018: USD 1,662,560). There were no sublease payments or contingent rent payments. Assets held under lease agreements are used exclusively by the Group and sublease of premises are not allowed as a part of the agreements.

26 FAIR VALUATION GAIN/ (LOSS) ON DERIVATIVES

The fair valuation gain on derivates financial instrument amount to USD 426,272 during the year ended 31 March 2019 (31 March 2018: USD 13,304). The same has been disclosed in line item "Foreign exchange gain" in Note 20 "Other operating income".

27 SHARE CAPITAL

The share capital of iEnergizer consists only of fully paid ordinary shares with a par value of GBP 0.01 per share (previous year GBP 0.01 per share). All shares represent one vote at the shareholder's meeting of iEnergizer Limited and are equally eligible to receive dividends and the repayment of capital.

The total number of shares issued and fully paid up of the company as on each reporting date is summarized as follows:

Particulars	31 March 2019	31 March 2018
Opening number of shares	190,130,008	190,130,008
Number of shares authorized and issued during the year	-	-
Closing number of shares	**190,130,008**	**190,130,008**

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28 RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarized in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Aggarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR Cyprus Limited (*Parent of iEnergizer Limited)*
III. Key management personnel and significant shareholders :	Mr. Anil Aggarwal *(Ultimate Shareholder, EICR Cyprus Limited)* Mr. Chris de Putron *(Director, iEnergizer Limited)* Mr. Marc Vassanelli *(Director, iEnergizer Limited)* Mr. Mark De La Rue *(Director, iEnergizer Limited)* Mr Ashish Madan *(CFO and Executive Director, iEnergizer Limited)*

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

Transactions with key managerial personnel and their relative

Particulars	31 March 2019	31 March 2018
Transactions during the year		
Short term employee benefits		
Remuneration paid to directors		
Chris de Putron	13,001	13,081
Mark De La Rue	13,001	13,081
Marc Vassanelli	39,003	39,241
Balances at the end of the year		
Total remuneration payable to key managerial personnel	65,005	52,492

29 SEGMENT REPORTING

Management currently identifies the Group's two service lines business process outsourcing and content delivery as operating segments on the basis of operations. These operating segments are monitored and operating and strategic decisions are made on the basis of operating segment results.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The Group's reportable segments are as follows:

1. Business Process Outsourcing
2. Content delivery
3. Others

The measurement of each operating segment's revenues, expenses, assets and is consistent with the accounting policies that are used in preparation of the consolidated financial statements. In addition, two minor operating segments, for which the quantitative thresholds have not been met, are currently combined below under 'Others'.

Segment information can be analysed as follows for the reporting years under review:

				31 March 2019
	Business Process Outsource	**Content delivery**	**Others**	**Total**
Revenue from external customers	101,955,687	72,137,104	-	174,092,791
Other income	1,233,046	1,750,425	5,292	2,988,763
Realized Foreign Exchange gain/(loss)	(140,116)	(289,365)	-	(429,481)
Segment revenue	**103,048,617**	**73,598,164**	**5,292**	**176,652,073**
Cost of outsourced Services	(28,130,723)	(9,933,540)	-	(38,064,263)
Employee benefit expense	(34,426,507)	(39,402,515)	-	(73,829,022)
Other expenses	(6,023,991)	(7,064,025)	(1,594,462)	(14,682,478)
Earning before interest, tax, depreciation and amortization	**34,467,396**	**17,198,084**	**(1,589,170)**	**50,076,310**
Unrealized Foreign Exchange gain/(loss)	140,116	289,365	-	429,481
Depreciation and amortisation	(1,512,797)	(3,675,593)	-	(5,188,390)
Segment operating profit	**33,094,715**	**13,811,856**	**(1,589,170)**	**45,317,401**
Unallocable expense :				
Finance income	490,819	281,758	47,487	820,064
Finance costs	(66,075)	(2,162,792)	(3,071,528)	(5,300,395)
Profit before tax	**33,519,459**	**11,930,822**	**(4,613,211)**	**40,837,070**
Income tax expense	(4,269,477)	(4,818,516)	-	(9,087,993)
Profit after tax	**29,249,982**	**7,112,306**	**(4,613,211)**	**31,749,077**
Segment assets	43,282,858	152,796,026	22,778,277	218,857,161
Segment liabilities	13,535,867	46,976,137	19,822,048	80,334,052
Capital expenditure	4,208,748	907,506	-	5,116,254

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31 March 2018

	Business Process Outsource	Content delivery	Others	Total
Revenue from external customers	84,378,693	71,325,779	-	155,704,472
Other income	9,132	1,166,345	25,071	1,200,548
Realized Foreign Exchange gain/(loss)	-	209,780	-	209,780
Segment revenue	**84,387,825**	**72,701,904**	**25,071**	**157,114,800**
Cost of outsourced Services	(36,711,581)	(10,473,148)	-	(47,184,729)
Employee benefit expense	(21,487,381)	(40,442,112)	-	(61,929,493)
Other expenses	(1,988,602)	(6,956,989)	(431,261)	(9,376,852)
Earnings before interest, tax, depreciation and amortization	**24,200,261**	**14,829,655**	**(406,190)**	**38,623,726**
Unrealized Foreign Exchange gain/(loss)	-	(209,780)	-	(209,780)
Depreciation and amortisation	(1,050,272)	(4,020,011)	-	(5,070,283)
Segment operating profit	**23,149,989**	**10,599,864**	**(406,190)**	**33,343,663**
Other income/expense :				
Finance income	299,857	293,938	7,993	601,788
Finance costs	(60,880)	(2,532,708)	(3,588,108)	(6,181,696)
Profit before tax	**23,388,966**	**8,361,094**	**(3,986,305)**	**27,763,755**
Income tax expense	(1,830,165)	(5,492,378)	-	(7,322,543)
Profit after tax	**21,558,801**	**2,868,716**	**(3,986,305)**	**20,441,212**
Segment assets	41,516,866	81,573,329	80,659,417	203,749,612
Segment liabilities	16,533,485	50,741,940	26,542,895	93,818,320
Capital expenditure	918,664	843,567	-	1,762,231

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The Group's revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) are divided into the following geographical areas:

Location	Revenue	Non-current assets	Revenue	Non-current assets
	31 March 2019	31 March 2019	31 March 2018	31 March 2018
United Kingdom	7,253,236	13	8,755,507	13
India	30,803,321	11,313,216	28,392,129	8,158,349
USA	129,636,798	111,705,381	112,435,729	114,066,714
Rest of the world	6,399,436	11,161	6,121,107	11,700
Total	**174,092,791**	**123,029,771**	**155,704,472**	**122,236,776**

Revenues from external customers in United Kingdom, as well as its major markets, India and the USA have been identified on the basis of the internal reporting systems.

In year ended 31 March 2019, revenue from one customer (31 March 2018: one customers) amounted to 10% or more of consolidated revenue during the year presented.

		31 March 2019
Revenue from	**Segment**	**Amount**
Customer 1	Business process outsource	19,678,587

		31 March 2018
Revenue from	**Segment**	**Amount**
Customer 1	Business process outsource	16,998,301

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30 FINANCIAL ASSETS AND LIABILITIES

Carrying amounts of assets and liabilities presented in the statement of financial position relates to the following categories of assets and liabilities:

Financial assets	31 March 2019	31 March 2018
Non-current assets		
Loans and receivables		
Security deposits	507,498	416,167
Restricted cash	108,591	72,279
Fixed deposits with banks	1,065,892	62,088
Current assets		
Loans and receivables		
Trade receivables	36,675,342	27,346,367
Cash and cash equivalents	42,413,215	33,774,536
Restricted cash	4,747,604	3,037,622
Security deposits	11,985	122,122
Fixed deposits with banks	1,803,959	4,461,187
Due from officers and employees	20,032	38,225
Other short term financial assets	47,891	2,206
Fair value through profit and loss:		
Derivative financial instruments	426,984	13,304
	87,828,993	**69,346,103**

Financial liabilities	31 March 2019	31 March 2018
Non-current liabilities		
Financial liabilities measured at amortized cost:		
Long term borrowings	870,535	46,038,369
Current liabilities		
Financial liabilities measured at amortized cost:		
Short term borrowings	8,934	402,986
Trade and other payables	10,574,896	13,258,193
Current portion of long term borrowings	45,403,496	13,732,671
Other current liabilities	9,725,465	7,593,456
	66,583,326	**81,025,675**

These non-current financial assets and liabilities, current financial assets and liabilities have been recorded at their respective carrying amounts as the management considers the fair values to be not materially different from their carrying amounts recognized in the statement of financial positions. Derivative financial instruments, recorded at fair value through profit and loss, are recorded at their respective fair values on the reporting dates.

31 COMMITMENT AND CONTINGENCIES

At 31 March 2019 and 31 March 2018, the Group had capital commitment of USD 126,817 and USD 14,810 respectively for acquisition of property, plant and equipment.

The contingent liability in respect of claims filed by erstwhile employees against the group companies amounts to USD 122,834 and USD 125,336 as on 31 March 2019 and 31 March 2018 respectively and in respect of interest on VAT amounts to USD 10,060 as on 31 March 2019 (USD 10,755 as on 31 March 2018).

The contingent liability in respect of bonuses based on pending litigations in various jurisdictions amounted to USD Nil (USD 249,903 as on 31 March 2018).

Guarantees: As at 31 March 2019 and 31 March 2018, guarantees provided by banks on behalf of the group companies to the revenue authorities and certain other agencies, amount to approximately USD 35,049 and USD 82,036 respectively.

32 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to raise finances for the Group's operations. The Group has trade and other receivables, other financial assets and cash and bank balances.

The Group is exposed to market risk, credit risk and liquidity risk.

MARKET RISK

Market risk is the risk that changes in market prices will have an effect on Group's income or value of the financial assets and liabilities. The Group's financial instruments affected by market risk include trade and other receivables, other financial assets, borrowings and trade and other payables.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019. The analysis excludes the impact of movement in market variables on the carrying value of assets and liabilities other than financial assets and liabilities. The sensitivity of the relevant consolidated income statement is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019.

Interest rate sensitivity
Interest rate risk primarily arises from floating rate borrowings. As at 31 March 2019, substantially all of our borrowings were subject to floating interest rates, which reset at short intervals. If interest rates were to increase by 1% from 31 March 2019, additional net annual interest expense on our floating rate borrowing would amount to approximately USD 539,422.

Price risk sensitivity
The Group does not have any financial asset or liability exposed to price risk as at reporting date.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group renders services primarily to customers located in the United States including those rendered by its Indian entities. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the trades receivable in USD on account of contracts for rendering the services. The Group entity has fixed rate forward contracts that are obtained to manage the

foreign currency risk in USD denominated trade receivables. Such contracts are taken considering overall receivable position and related expense and are not speculative in nature.

Net short term exposure in USD equivalents of foreign currency denominated financial assets and liabilities at each reporting date are as follows:

Currency	USD	USD	USD	USD
Foreign currency	**AUD**	**GBP**	**EURO**	**SGD**
31 March 2019				
Financial assets	132,880	1,093,037	175,574	37,815
Financial liabilities	-	-	-	-
Net short term exposure	**132,880**	**1,093,037**	**175,574**	**37,815**

Currency	USD	USD	USD	USD
Foreign currency	**AUD**	**GBP**	**EURO**	**SGD**
31 March 2018				
Financial assets	67,057	1,139,054	170,122	37,815
Financial liabilities	(1,866)	(6,272)	-	-
Net short term exposure	**65,191**	**1,132,782**	**170,122**	**37,815**

In computing the below sensitivity analysis, the management has assumed the following % movement between various foreign currencies and the underlying functional currency:

Functional currency	31 March 2019	31 March 2018
AUD	+/- 7.56%	+/- 0.45%
GBP	+/- 7.03%	+/- 10.86%
EUR	+/- 8.95%	+/- 13.30%
SGD	+/- 3.18%	+/- 6.08%

The following table details Group's sensitivity to appreciation or depreciation in functional currency vis-a-vis the currency in which the foreign currency financial assets and liabilities are denominated:

Currency	USD	USD	USD	USD
Foreign currency	**AUD**	**GBP**	**EURO**	**SGD**
31 March 2019	7,129	100,123	17,633	887
31 March 2018	(226)	(172,411)	(27,878)	(1752)

If the functional currency of the Company had weakened with respect to various currencies by the percentages mentioned above, for years ended 31 March 2019 and 2018 then the effect will be change in profit and equity for the year by USD 125,771 (31 March 2018: USD 227,672). If the functional currency had strengthened with respect to the various currencies, there would be an equal and opposite impact on profit and equity for each year.

CREDIT RISK

Credit risk arises from debtors' inability to make payment of their obligations to the Group as they become due; and by non-compliance by the counterparties in transactions in cash, which is limited, to balances

deposited in banks and accounts receivable at the respective reporting dates. The Group is not exposed to any significant credit risk on other financial assets and balances with banks. Further analysis for each category is detailed below:

Trade receivables

In case of trade receivables, its customers are given a credit period of 30 to 75 days and the customers do not generally default and make payments on time. and other receivables are immediately recoverable.

Gross value of top five customers for the year ended 31 March 2019 are USD 36,675,342 being 37.29% (31 March 2018 USD 9,574,952 being 35.01%) of net trade receivables. An analysis of age of trade receivables past due net of impairment at each reporting date is summarized as follows:

Particulars	31 March 2019
Not past due	22,966,847
Past due less than three months	12,825,525
Past due more than three months but not more than six months	654,610
Past due more than six months but not more than one year	93,790
More than one year	134,570
Total	**36,675,342**

Particulars	31 March 2018
Not past due	18,813,234
Past due less than three months	7,415,924
Past due more than three months but not more than six months	237,560
Past due more than six months but not more than one year	766,420
More than one year	113,229
Total	**27,346,367**

Other financial assets

In case of other financial assets, all the current balances are recoverable on demand while the non-current balances are primarily on account of security deposits given for buildings take on lease. The maximum exposure to the Group in case of security deposits paid under long-term arrangements is given in note below.

The maximum exposure to credit risk in other financial assets is summarized as follows:	31 March 2019	31 March 2018
Security deposits	519,483	538,289
Restricted cash	4,856,195	3,109,901
Cash and cash equivalents	42,413,215	33,774,536
Short term investments	2,869,851	4,523,275
Due from officers and employees	20,032	38,225
Derivative financial instruments	426,984	13,304
Other current assets	47,891	2,206
Total	**51,153,651**	**41,999,736**

Cash and cash equivalents are held with reputable banks. The maximum exposure to credit risk is in the items stated in Note 13. The management considers the credit quality of deposits with such banks to be good and reviews the banking relationships on an ongoing basis.

The Group's maximum exposure to credit risk arising from the Group's trade and other receivables and other financial assets at the respective reporting dates is represented by the carrying value of each of these assets.

Credit risk concentrations exist when changes in economic, industrial or geographic factors take place, affecting in the same manner the Group's counterparties whose added risk exposure is significant to the Group's total credit exposure.

LIQUIDITY RISK

Liquidity needs of the Group are monitored on the basis of future cash flow projections. The Group manages its liquidity needs by continuously monitoring cash flows from customers and by maintaining adequate cash and cash equivalents and short terms investments. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short terms liquidity requirements comprise mainly of sundry creditors, expense payable, and employee dues arising during normal course of business as on each reporting date. The Group maintains a minimum of sixty days of short term liquidity requirements in cash and cash equivalents. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through the management's ability to negotiate borrowing facilities. Derivative financial instruments reflect forward exchange contracts that will be settled on a gross basis.

As at 31 March 2019, the Group's financial liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

31 March 2019	**Current**		**Non- current**
Financial liabilities	Due within 60 days	Due in 61 days to 365 days	Due in more than 1 year but not later than 5 years
Trade payables	1,369,473	5,552,135	-
Expenses payable	2,754,896	898,392	-
Borrowings	45,037,016	366,480	870,535
Employee dues	4,913,313	823,716	-
Bank overdraft	8,934	-	-
Total	**54,083,632**	**7,640,723**	**870,535**

As at 31 March 2018, the Group's financial liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

31 March 2018	**Current**		**Non- current**
Financial liabilities	Due within 60 days	Due in 61 days to 365 days	Due in more than 1 year but not later than 5 years
Trade payables	7,523,316	2,849,968	2,911
Expenses payable	1,979,596	495,706	406,696
Borrowings	60,578	13,671,054	46,039,408
Employee dues	3,769,116	-	-

31 March 2018	Current		Non- current
Financial liabilities	Due within 60 days	Due in 61 days to 365 days	Due in more than 1 year but not later than 5 years
Bank overdraft	402,986	-	-
Total	**13,735,592**	**17,016,728**	**46,449,015**

33 FAIR VALUE HIERARCHY

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

No financial assets/liabilities have been valued using level 1 and 3 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

		Fair value measurements at reporting date using
31 March 2019	**Total**	**Level 2**
Liabilities	(Notional amount)	
Derivative instruments		
Forward contracts (currency – USD/INR)	18,700,000	426,984

		Fair value measurements at reporting date using
31 March 2018	**Total**	**Level 2**
Assets	(Notional amount)	
Derivative instruments		
Forward contracts (currency – USD/INR)	14,000,000	13,304

The Group's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

34 Change in provident fund law for Indian Companies

In respect of Indian incorporated entities there are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgement dated 28 February 2019 on provident fund on which the Company has obtained legal advice specifically on the retrospective applicability of the same. The Company has started recognising such expenditure/liability on account of enhanced provident fund contributions prospectively. Pending further clarification on the applicability of such ruling and on basis of the legal opinion so obtained, the management is of the view that such ruling is applicable prospectively.

35 CAPITAL RISK MANAGEMENT

The Group's capital comprises of equity attributable to the equity holder of the parent.

The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total equity comprises of all the components of equity (i.e., share capital, additional paid in capital, retained earnings etc.). Total debt comprises of all liabilities of the Group. The management of the Group regularly reviews the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the Group.

	31 March 2019	31 March 2018
Total equity	138,523,109	109,931,292
Total debts	80,334,052	93,818,320
Overall financing	**218,857,161**	**203,749,612**
Gearing ratio	0.37	0.46

The current gearing ratio of the Group is quite high and the primary objective of the Group's capital management is to reduce net debt over the coming financial year whilst investing in business and maximizing shareholder value. In order to meet this objective, the Group may repay debt, adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

36 POST REPORTING DATE EVENTS

Post reporting date, the Company has entered into a refinancing arrangement for its existing term loans for a further period of 5 years (refer to note 16) and the same has been considered as a non-adjusting post reporting date event. The revised facility has been secured on favorable terms and allows the Company the requisite dividend flexibility. Other than mentioned above no adjusting or significant non-adjusting events have occurred between the 31 March reporting date and the date of authorization.