

# **NIIT Airline Technologies GmbH**

Nürnberg

## **Contents**

	<b><u>Seite</u></b>
1. Order and Execution of Order	2
2. Subject, Type and Scope of our Work	3
3. Economic Situation	
3.1. Accounts to the Balance Sheet as at 31st March 2016	4-5
3.2. Accounts to Profit & Loss Account for the year ended 31st March 2016	6
3.3. Assets as on 31st March 2016	7
4. Legal Situations	8
5. Certificate	9
	<b><u>Annexures</u></b>
Balance Sheet as at 31st March 2016	I
Profit & Loss Account for the year ended 31st March 2016	II
Notes to Accounts	III

---

*A.K Verma & Associates*  
*Chartered Accountants*

**NIIT Airline Technologies GmbH**

Nürnberg

1. **Order and Execution of Order**

Mr. Ashok Kumar Talwar Managing Director of

**NIIT Airline Technologies GmbH**

Nürnberg

(hereinafter referred to as "Company" or "GmbH")

ordered us to audit the Financial Statements of the Company for the Financial Year from 01 April 2015 to 31 March 2016 prepared in accordance with principles of the German Commercial Code, on the basis of the books of account, the information/evidences provided to us.

## **NIIT Airline Technologies GmbH**

Nürnberg

### **2. Subject, Type and Scope of our Work**

Objective of our work was the audit of Annual Financial Statements based on the books of Account of the company.

The company has demonstrated to us the assets and liabilities as follows:

The existing assets and liabilities of the company on the balance sheet date are as demonstrated by the books of account of the company.

The other assets and liabilities of the company are as demonstrated by the bookkeeping, correspondence, reports, bank statements, contracts and other documents provided to us.

The requested information has been willingly provided to us by the management and authorised employees of the Company.

### **3. Economic Situation**

Items in the Financial Statements are detailed hereinafter. Providing further explanations was not within the scope of our engagement.

**NIIT Airline Technologies GmbH**  
Nürnberg

Details of accounts to Balance Sheet as on 31.03.2016

Assets		3/31/2016	3/31/2016	3/31/2016	3/31/2016	3/31/2015	3/31/2015
Account	Particulars	€	INR	€	INR	€	INR
<b>Fixed Assets</b>							
<b>Intangible Assets</b>							
0026 00	Software Licence - Monalisa	74,507.12	5,615,378			80,199	5,370,639
0027 00	EDV Software	<u>17,752.39</u>	1,337,944	92,259.51	6,953,322	8,262	553,294
<b>Tangible Assets</b>							
0200 00	Computers			59,602.20	4,492,039	98,314	6,583,745
<b>Investments</b>							
0505 00	Loans to Associated Companies			400,000.00	30,146,800	150,000	10,044,945
<b>Current Assets</b>							
<b>Inventories</b>							
1719 00	Unbilled Revenue			140,377.59	10,579,838	-105,470 -	7,062,936
<b>Sundry Debtors</b>							
1400 00	Trade Receivables	909,551.80	68,550,191			1,039,737	69,627,316
0998 00	Provision for Bad & Doubtful Debts	<u>-292,795.57 -</u>	22,067,124	616,756.23	46,483,067	-279,457 -	18,714,186
<b>Other Assets</b>							
1525 00	Security Deposit	16,060.71	1,210,448			0	-
1530 00	Staff Advances	2,000.00	150,734			2,000	133,933
1540 00	Advance Taxes	96,493.51	7,272,426			151,205	10,125,634
1549 10	Tax Recoverable	0.00	-			9,788	655,466
1571 00	Input VAT -7%	84.55	6,372			103	6,887
1576 00	Input VAT -19%	52,735.68	3,974,530			76,258	5,106,714
1577 10	Input VAT (§13b Abs 2 UStG) -19%	88,668.20	6,682,656			71,755	4,805,168
1578 10	Input VAT (§13b Abs 1 UStG) -19%	3,966.04	298,909			3,861	258,552
1776 00	Output VAT -19%	-29,924.24 -	2,255,300			-52,928 -	3,544,411
1781 00	VAT Security Deposit -1/11	0.00	-			0	-
1785 10	Output VAT (§13b Abs 1 UStG) -19%	-3,966.04 -	298,909			-3,861 -	258,552
1787 10	Output VAT (§13b Abs 2 UStG) -19%	-88,668.20 -	6,682,656			-71,755 -	4,805,168
1789 00	VAT paid (-Received)	-20,717.02 -	1,561,380			-10,935 -	732,303
1790 00	VAT earlier years	<u>9,813.78</u>	739,635	126,546.97	9,537,465	-2,765 -	185,171
<b>Cash and Bank Balances</b>							
1000 00	Cash in Hand	96.41	7,266			296	19,795
1210 00	Bank Balance -Hypovereinsbank A/C 3239551	<u>2,055,294.27</u>	154,901,363	2,055,390.68	154,908,629	1,350,478	90,436,511
<b>Prepaid Expenses</b>							
0980 00	Prepaid Expenses			15,883.43	1,197,086	11,916	797,937
<b>Summe Aktiva</b>				<u><u>3,506,816.61</u></u>		<u><u>264,298,247</u></u>	
						<u><u>2,527,000</u></u>	
						<u><u>169,223,809</u></u>	



**NIIT Airline Technologies GmbH**  
Nürnberg

Details of accounts to Balance Sheet as on 31.03.2016

**LIABILITIES**

Account	Particulars	<u>3/31/2016</u> €	<u>3/31/2016</u> INR	<u>3/31/2016</u> €	<u>3/31/2016</u> INR	<u>3/31/2015</u> €	<u>3/31/2015</u> INR
	<b>Subscribed and Paid-UP Capital</b>						
0800 00	Paid-UP Capital			1,000,000.00	75,367,000.00	1,000,000	66,966,300
	<b>Net Profits brought forward</b>						
0860 00	PAT brought forward			1,008,425.69	76,002,018.98	749,270	50,175,866
	<b>Net Profit for the Year</b>						
0000 00	Net Profit for the Year			776,590.47	58,529,293.95	259,155	17,354,671
	<b>Provision for Taxation</b>						
0957 00	Provision for Trade Tax	237,300.00	17,884,589.10			75,800	5,076,046
0963 00	Provision for Corporate Tax	<u>240,250.00</u>	18,106,921.75	477,550.00	35,991,510.85	79,400	5,317,124
	<b>Provision for Expenses</b>						
0970 00	Provision for other Expenses	52,224.39	3,935,995.60			104,976	7,029,821
0971 00	Provision for Leave Encashment	15,000.00	1,130,505.00			15,000	1,004,495
0977 00	Provision for Professional Fees	<u>33,148.00</u>	2,498,265.32	100,372.39	7,564,765.92	24,456	1,637,728
	<b>Sundry Creditors</b>						
1600 00	Creditors for supplies and services rendered	19,040.48	1,435,023.86			25,268	1,692,080
1600 00	Paybale to associated concerns	<u>51,015.97</u>	3,844,920.61	70,056.45	5,279,944.47	107,726	7,213,978
	<b>Other Liabilities</b>						
1588 00	Import Duty -19%	0.00	0.00			0	0
1732 00	Security Deposits	14,580.00	1,098,850.86			14,580	976,369
1734 00	Corporate Tax Payable	0.00	0.00			0	0
1740 00	Salary Payable	0.00	0.00			0	0
1741 00	Wage Tax Payable	6,437.24	485,155.47			9,364	627,055
1742 00	Social Security Payable	-126.52	-9,535.43			0	0
1746 00	Other Recoveries Paybale	<u>0.00</u>	0.00	20,890.72	1,574,470.89	0	0
	<b>Deferrals and Accruals</b>						
0990 00	Deferred Revenue			52,930.89	3,989,242.39	62,005	4,152,277
	<b>Total</b>			<b><u>3,506,816.61</u></b>	<b><u>264,298,247.45</u></b>	<b><u>2,527,000</u></b>	<b><u>169,223,809</u></b>

**NIIT Airline Technologies GmbH**  
Nürnberg

Details of accounts to Profit & Loss Account for the year ended 31.03.2016

Account Particulars	01.04.2015-	01.04.2015-	01.04.2015-	01.04.2015-	01.04.2014-	01.04.2014-
	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2015	31.03.2015
	€	INR	€	INR	€	INR
<b>Sales Turnover</b>						
8338 00 VAT Exempt Sales Non-EU	1,108,674.63	79,297,952.91			818,448	64,050,912.64
8339 00 VAT Exempt Services EU (§18b Satz 1 Nr. 2 UStG)	957,540.76	68,488,102.86			927,092	72,553,253.70
8400 00 Taxable Turnover -19% VAT	149,617.07	10,701,360.93			272,795	21,348,648.25
8611 00 Car Perquisite -19% VAT	<u>7,878.95</u>	563,541.90	2,223,711.41	159,050,958.60	5,775	451,936.33
<b>Increase in Inventories -Unbilled Jobs</b>						
8970 00 Changes in Finished/Unfinished Inventories			270,847.59	19,372,373.87	-105,470	-8,253,976.73
<b>Sales/Write off of Fixed Assets</b>						
2320 00 Fixed Assets write offs			0.00	0.00	-1,063	-83,173.67
<b>Misc. Income</b>						
2650 00 Interest and similar Income	8,916.03	637,719.05			1,077	84,261.47
2660 00 Gain from Difference in Exchange	-2,620.46	-187,428.40			24,597	1,924,954.62
2709 00 Misc. Receipts	0.00	0.00			0	-
8700 00 Excess provisions written back (Deferred Revenue)	<u>20,675.78</u>	1,478,835.16	26,971.35	1,929,125.81	-83,428	-6,529,011.42
<b>Cost of Raw Materials, Supplies and services purchased</b>						
3099 00 Outside services -19% VAT	-19,175.00	-1,371,491.88			-60,758	-4,754,821.98
3123 00 Cost of services within EU (§13b Abs 1 UStG)	-20,873.88	-1,493,004.27			-20,321	-1,590,273.75
3125 00 Cost of services outside EU (§13b Abs. 2 UStG)	<u>-466,674.76</u>	-33,378,912.21	-506,723.64	-36,243,408.35	-360,789	-28,234,965.22
<b>Salaries &amp; Wages</b>						
4120 00 Salaries	-410,066.81	-29,330,028.59			-529,460	-41,434,988.23
4149 00 Tax on perquisites	-118.44	-8,471.42			-508	-39,717.23
4170 00 Contribution to Staff Capital Accum Benefits	-638.28	-45,652.98			-545	-42,663.68
4175 00 Residence-Work Travel Costs	-11,672.35	-834,864.83			-12,415	-971,618.35
4198 00 Relocation Costs	<u>-1,825.07</u>	-130,538.13	-424,320.95	-30,349,555.95	-2,674	-209,268.48
<b>Employer's Contribution to German Social Security</b>						
4130 00 Employer's Contribution to Social Security	-86,973.78	-6,220,799.61			-110,915	-8,680,071.16
4138 00 Employees' State Insurance Premium	<u>-3,000.00</u>	-214,575.00	-89,973.78	-6,435,374.61	-2,585	-202,296.38
0000 00 Carried Forward			<u>1,500,511.98</u>	<u>107,324,119.37</u>	<u>758,854</u>	<u>59,387,121</u>



**NIIT Airline Technologies GmbH**  
Nürnberg

Details of accounts to Profit & Loss Account for the year ended 31.03.2016

Konto	Bezeichnung	<u>01.04.2015-</u>	<u>01.04.2015-</u>	<u>01.04.2015-</u>	<u>01.04.2015-</u>	<u>01.04.2014-</u>	<u>01.04.2014-</u>	<u>01.04.2014-</u>
		<u>31.03.2016</u>	<u>31.03.2016</u>	<u>31.03.2016</u>	<u>31.03.2016</u>	<u>31.03.2015</u>	<u>31.03.2015</u>	<u>31.03.2015</u>
		€	INR	€	INR	INR	€	INR
	brought forward			1,500,511.98	107,324,119.37		758,854	59,387,120.75
	<b>Depreciation of Intangible Assets, Fixed Assets, Plat and of capitalised start-up/expansion costs</b>							
4822 00	Depreciation of Intangible Assets	-14,160.67	-1,012,841.92			-11,185		-875,358.22
4830 00	Depreciation of Tangible Assets	<u>-40,535.20</u>	-2,899,280.18	-54,695.87	-3,912,122.10	-32,756		-2,563,414.24
	<b>Rent and related Expenses</b>							
4210 00	Rent and related Expenses	-56,108.21	-4,013,139.72			-56,473		-4,419,532.25
4240 00	Gas, Electricity and Water	-2,857.74	-204,399.85			-2,191		-171,492.86
4250 00	Cleaning Expenses	-5,942.31	-425,023.72			-5,810		-454,697.31
4260 00	Repairs to Buildings	<u>0.00</u>	0.00	-64,908.26	-4,642,563.30	-1,489		-116,501.83
	<b>Insurance, subscriptions and other charges</b>							
4360 00	Insurance, subscriptions and other charges	-6,720.48	-480,682.33			-5,842		-457,202.38
4380 00	Subscriptions	<u>-6,118.99</u>	-437,660.76	-12,839.47	-918,343.09	-3,271		-255,964.06
	<b>Other operating expenses</b>							
2400 00	Provision for Bad and Doubtful Debts	-14,451.21	-1,033,622.80			-10,793	-844,670	
4510 00	Car Tax	-187.67	-13,423.10			-187	-14,628	
4520 00	Car Insurance	-1,735.71	-124,146.66			-1,439	-112,587	
4530 00	Car Running Expenses	-1,470.56	-105,181.80			-2,216	-173,445	
4535 00	Car Leasing	-7,136.64	-510,448.18			-7,137	-558,506	
4540 00	Car Repair Expenses	-166.55	-11,912.49			-173	-13,558	
4610 00	Advertisement	-4,711.26	-336,972.87			-4,224	-330,562	
4611 00	Exhibition Expenses	0.00	0.00			-13,899	-1,087,741	
4630 00	Gifts upto 35€	-336.44	-24,063.87			-193	-15,120	
4650 00	Entertainment Expenses	-371.04	-26,538.64			-1,046	-81,890	
4653 00	Office Refreshments	-2,428.65	-173,709.19			-868	-67,963	
4655 00	Non-deductible expenses	-473.11	-33,839.19			-1,262	-98,761	
4660 00	Staff Travel Expenses	-25,301.54	-1,809,692.65			-29,682	-2,322,883	
4800 00	Repairs to Equipment & Machinery	0.00	0.00			-4,083	-319,504	
4807 00	Software Expenses	<u>-47,316.72</u>	<u>-3,384,328.40</u>			<u>-47,971</u>	<u>-3,754,185</u>	
		-106,087.10	-7,587,879.83				-125,174	-9,796,003.80
0000 00	Carried forward			<u>1,368,068.38</u>	<u>97,851,090.88</u>		<u>639,836</u>	<u>50,072,958</u>

**NIIT Airline Technologies GmbH**  
Nürnberg

Details of accounts to Profit & Loss Account for the year ended 31.03.2016

Account	Particulars	01.04.2015-		01.04.2015-		01.04.2015-		01.04.2014-31.03.2015			INR			
		31.03.2016	INR	31.03.2016	€	31.03.2016	INR	€	INR	€				
	brought forward	-106,087.10	-	7,587,880		1,368,068.38		97,851,091		-125,174	-	9,796,004	639,836	50,072,958
4900 00	Other operating expenses	-3,185.48	-	227,841						-2,088	-	163,402		
4910 00	Postage/Courier	-747.77	-	53,484						-1,058	-	82,791		
4920 00	Telephone Expenses	-16,580.80	-	1,185,942						-19,263	-	1,507,479		
4925 00	Telefax und Internet	0.00	-	-						-101	-	7,884		
4930 00	Office Materials	-3,864.69	-	276,422						-866	-	67,780		
4940 00	Books and Periodicals	0.00	-	-						-2,279	-	178,335		
4945 00	Training Costs	-1,027.22	-	73,472						0	-	-		
4949 00	Management Expenses	-10,000.06	-	715,254						-10,000	-	782,590		
4950 00	Legal and Advisory Fees	-27,920.16	-	1,996,989						-29,323	-	2,294,800		
4955 00	Accounting, Financials and Tax	-43,933.44	-	3,142,339						-50,199	-	3,928,500		
4957 00	Audit Fees	-7,280.00	-	520,702						-7,280	-	569,726		
4960 00	Machine Rent	-4,970.94	-	355,546						-4,932	-	385,987		
4970 00	Bank Charges	<u>-3,288.97</u>	-	<u>235,244</u>		-228,886.63	-	16,371,116		<u>-2,621</u>	-	<u>205,114</u>	-255,183	19,970,391
	<b>Interest and similar Expenses</b>													
2107 00	Interest on Short Term Loans	0.00	-	-									0	-
2150 00	Difference in Exchange -Loss	<u>-7,126.69</u>	-	<u>509,737</u>		-7,126.69	-	509,737					-1,806	141,374
	<b>Taxes on Income and Earnings</b>													
2200 00	Corporate Tax	-168,914.59	-	12,081,616									-59,952	4,691,811
2201 00	Surcharge on Corporate Tax	-9,350.00	-	668,759									-3,200	250,429
4320 00	Trade Tax	<u>-177,200.00</u>	-	<u>12,674,230</u>		-355,464.59	-	25,424,605					-60,539	4,737,718
	<b>Net Profit for the year</b>													
0000 00	Profit after Taxes					<u>776,590.47</u>		<u>55,545,633</u>					<u>259,155</u>	<u>20,281,234</u>

Schedule of Fixed Assets as on 31.03.2016

NITT Airline Technologies GmbH  
 Nürnberg

Account	Particulars	Dep														BV					
		Cost of Acquisition						Abschreibungen								Buchwert					
		Balance as on 01.04.2015	Balance as on 01.04.2015(NR)	Additions during the year	Additions during the year (NR)	Reductions during the year	Reductions during the year (NR)	Balance as on 31.03.2016	Balance as on 31.03.2016 (NR)	Balance as on 01.04.2015	Balance as on 01.04.2015(NR)	Additions during the year	Additions during the year (NR)	Reductions during the year	Reductions during the year (NR)	Balance as on 31.03.2016	Balance as on 31.03.2016 (NR)	Balance as on 31.03.2016 (NR)	Balance as on 31.03.2015	Balance as on 31.03.2015 (NR)	
<b>Intangible Assets</b>																					
S00260	License-Moneta	120.000,00	8.035.956,00	0,00	0,00	0,00	0,00	120.000,00	9.044.040,00	39.800,81	2.665.317,00	5.692,01	407.121,02	0,00	0,00	45.492,88	3.428.661,89	74.507,12	5.615.378,11	80.199	5.370.630
S00270	EDV-Software	17.606,08	1.179.014,04	17.958,78	1.284.501,74	0,00	0,00	35.564,86	2.680.416,80	9.343,81	625.720,38	8.468,66	605.720,91	0,00	0,00	17.812,47	1.342.472,43	17.752,39	1.337.944,38	8.262	553.294
<b>a. Sub-Total</b>		<b>137.606,08</b>	<b>9.214.970,04</b>	<b>17.958,78</b>	<b>1.284.501,74</b>	<b>0,00</b>	<b>0,00</b>	<b>155.564,86</b>	<b>11.724.456,80</b>	<b>49.144,62</b>	<b>3.291.037,38</b>	<b>14.160,67</b>	<b>1.012.841,92</b>	<b>0,00</b>	<b>0,00</b>	<b>63.305,35</b>	<b>4.771.134,31</b>	<b>92.259,51</b>	<b>6.953.322,49</b>	<b>88.461</b>	<b>5.923.924</b>
<b>Tangible Assets</b>																					
S02000	Computers	216.239,14	14.480.735,12	1.823,10	130.397,23	0,00	0,00	218.062,24	16.434.696,84	117.924,84	7.896.990,21	40.535,20	2.899.280,18	0,00	0,00	158.460,04	11.942.657,83	59.602,20	4.492.039,01	98.314	6.583.725
S02400	Equipments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0	0
S03000	Other Equipment and assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0	0
S04500	Constructions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0	0
<b>b. Sub-Total</b>		<b>216.239,14</b>	<b>14.480.735,12</b>	<b>1.823,10</b>	<b>130.397,23</b>	<b>0,00</b>	<b>0,00</b>	<b>218.062,24</b>	<b>16.434.696,84</b>	<b>117.924,84</b>	<b>7.896.990,21</b>	<b>40.535,20</b>	<b>2.899.280,18</b>	<b>0,00</b>	<b>0,00</b>	<b>158.460,04</b>	<b>11.942.657,83</b>	<b>59.602,20</b>	<b>4.492.039,01</b>	<b>98.314</b>	<b>6.583.725</b>
S04800	Small Value Items < 410 €	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0	0
S04850	Small Value Items > 410 €	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0	0
<b>c. Sub-Total</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0</b>	<b>0</b>
<b>Total</b>		<b>353.845,22</b>	<b>23.695.705,16</b>	<b>19.781,88</b>	<b>1.414.898,97</b>	<b>0,00</b>	<b>0,00</b>	<b>373.627,10</b>	<b>28.159.153,65</b>	<b>167.069,62</b>	<b>11.188.027,60</b>	<b>54.695,87</b>	<b>3.912.122,10</b>	<b>0,00</b>	<b>0,00</b>	<b>221.785,39</b>	<b>16.719.792,15</b>	<b>181.861,71</b>	<b>11.445.361,50</b>	<b>186.778</b>	<b>12.507.649</b>
<b>Previous Year</b>		<b>569.216</b>	<b>47.089.272</b>	<b>87.471</b>	<b>6.345.351</b>	<b>302.842</b>	<b>23.709.112</b>	<b>353.845</b>	<b>23.695.630</b>	<b>424.908</b>	<b>35.151.016</b>	<b>43.341</b>	<b>3.438.778</b>	<b>301.779</b>	<b>23.616.823</b>	<b>167.070</b>	<b>11.188.000</b>	<b>186.778</b>	<b>12.507.631</b>	<b>144.209</b>	<b>11.928.376</b>

# **NIIT Airline Technologies GmbH**

Nürnberg

## **5. Legal Situations**

The Legal Situations of the Company are as follows:

Name:	NIIT Airline Technologies GmbH
Legal Form:	GmbH
Date of Incorporation :	22.09.1995
Seat:	Nürnberg
Adress:	Lina-Ammon-Straße 19 b 90471 Nürnberg
Entry in Commercial Register:	Nürnberg, HRB 13610
Fiscal Year:	1st April 2015 to 31st March 2016
Main Objects of the Company:	Software Development, consultancy for planning and installation of Telecommunication equipments as well as sale of specially developed Dataequipments
Shareholder:	Under an agreement dated 16th July 2009, the ownership was changed and it now rests with: NIIT Technologies Limited, India -100%

Subscribed Capital: 100,000.00 €

Management,  
Power of  
Representation: Managing Director:  
Mr. Arvind Thakur  
Mr. Ashok Kumar Talwar

---

A.K Verma & Associates  
Chartered Accountants

# **NIIT Airline Technologies GmbH**

## **Notes to Accounts**

for the Fiscal Year from 1st April 2015 to 31st March 2016

### 1. General Information

The foregoing Financial Statements were prepared in accordance with the general review of provisions of §§ 252-256 HGB and taking into account the specific recognition and measurement rules for corporations (§§ 269-274, 279-283 HGB). In addition, § 42 GmbHG was kept in view.

### 2. Information on accounting and valuation methods

The generally accepted accounting methods for Balancing and Valuation were retained in the foregoing Annual Financial Statements .

In particular, the evaluations are as follows:

Intangible assets which are acquired for a price are capitalised at cost and depreciated using the straight line method of depreciation.

Tangible fixed assets are recorded at cost, less depreciation to date.

Small value assets are 100% depreciated in the year of acquisition.

Receivables and other assets are stated at their recorded nominal values.

Existing debt risks are taken into account by appropriate specific and general provision for Bad and Doubtful debts.

Cash and cash equivalents are stated at cost.

The prepaid expenses are determined by time based accrual of expenses method.

The equity is reported at nominal value.

The provisions are measured in such a way that all the identifiable risks and contingent obligations are accounted for. They are stated at the amounts based on sound business judgment.

Liabilities are stated at the repayable amounts .

The deferred income include accrual of deferred revenue. Income thereof will be recognised when the revenue recognition criteria are met.

**3. Notes to Balance Sheet**

Movements in Fixed Assets

Schedule of Fixed Assets as on 31.03.2016 may be referred for movements in Fixed Assets during the year.

**Investments**

Loans to associate concerns amounted to 400.000,00 € as on 31.03.2016 (Previous Year: 150.000 €) and interest thereon was charged thereon during the year at arm's length basis .

**Debtors' Ageing**

Debts outstanding for a period exceeding 6 months as on 31.03.2016 amounted to 616.756 € (Previous Year: 386.563 €)

**Liabilities' Ageing**

Liabilities outstanding as on 31.03.2016 are for a period of less than one year.

**Liabilities towards Associate Concerns**

Liabilities towards associate companies as on 31.03.2016 amounted to 51.015,97 € (Previous Year: 107.725 €).

**Other Liabilities**

Tax Liabilities as on 31.03.2016 amounted to 6.437,24 € (Previous Year: 9.364 €). Liabilities for Social Security as on 31.03.2016 amounted to 0,00 € (Previous Year: 0 €)

**4. Information relating to Profit & Loss Account**

**Sales Turnover**

Revenues are derived from the sale of software licenses as well as maintenance, adjustment, service, hosting, training and other services. Each multi-component individually agreed contracts include adaptation , hosting , training and other services along with the right to use the software Monalisa. Revenues from license sales and maintenance services are recognized when the following conditions are fulfilled:

1. The contract becomes effective
2. The software installation is done
3. The receipt of money is probable

Are essential services not yet rendered to date of Balance Sheet, part services estimated on time basis are considered as Deferred Revenue.

For A. K. Verma & Associates

For NIIT Airline Technologies GmbH

Chartered Accountants

Firm's Registration Number 013096N

Place: Frankfurt am

Date: 5/2/2016

Ashok Kumar Verma  
Partner  
(Membership No. 082084)

Ashok Kumar Talwar  
Managing Director

**NIIT Airline Technologies GmbH**  
Nürnberg

Balance Sheet as on 31.03.2016

Assets					Liabilities					
	3/31/2016	3/31/2016	3/31/2015	3/31/2015		3/31/2016	3/31/2016	3/31/2016	3/31/2015	3/31/2015
	€	INR	€	INR		€	€	INR	€	INR
<b>A. Fixed Assets</b>					<b>A. Owned Capital</b>					
I. Intangible Assets					I. Subscribed and Paid-up Capital	1,000,000.00	75,367,000.00		1,000,000	66,966,300.00
Concessions, Industrial and similar Rights and Assets and licences in such Rights and Values	92,259.51	6,953,322.49	88,461	5,923,933	II. Profit brought forward	1,008,425.69	76,002,018.98		749,270	50,175,866.39
II. Tangible Assets					III. Net Profit for the year	776,590.47	58,529,293.95		259,155	17,354,670.90
Operating Equipment	59,602.20	4,492,039.01	98,314	6,583,745	<b>B. Provisions</b>					
<b>B. Investments</b>	400,000.00	30,146,800.00	150,000	10,044,945	1. Provision for Taxation	477,550.00			155,200	10,393,169.76
<b>C. Current Assets</b>					2. Other Provisions	100,372.39	577,922.39	43,556,276.77	144,432	9,672,043.16
I. Sundry Debtors and other Assets					<b>C. Liabilities</b>					
1. Sundry Debtors	757,133.82		654,810	43,850,194	1. Sundry Creditors	19,040.48			25,268	1,692,079.69
2. Other Assets	126,546.97	883,680.79	66,600,370.10	172,725	2. Liabilities towards associated Companies	51,015.97			107,728	7,213,978.15
II. Cash and Bank Balances	2,055,390.68	154,908,629.38	1,350,774	90,456,306	3. Other Liabilities	20,890.72	90,947.17	6,854,415.36	23,944	1,603,423.68
<b>D. Prepaid Expenses</b>	15,883.43	1,197,086.47	11,916	797,937	<b>D. Deferrals and Accruals</b>					
					Deferred Revenue	52,930.89	3,989,242.39		62,005	4,152,276.91
<b>Total</b>	<u>3,506,816.61</u>	<u>264,298,247.45</u>	<u>2,527,000</u>	<u>169,223,809</u>	<b>Total</b>	<u>3,506,816.61</u>	<u>264,298,247.45</u>	<u>2,527,000</u>	<u>169,223,809</u>	



## NIIT Airline Technologies GmbH Nürnberg

Profit and Loss Account for the year ended 31.03.2016

	01.04.2015- 31.03.2016	01.04.2015- 31.03.2016	01.04.2015- 31.03.2016	01.04.2014- 31.03.2015	01.04.2014- 31.03.2015
	€	€	INR	€	INR
1. Sales Turnover		2,223,711.41	159,050,959	1,918,639	150,150,774
2. Increase in Inventories of Unbilled Jobs		270,847.59	19,372,374	0	-
3. Loss on sale/write off of Fixed Assets		0.00	-	-1,063 -	83,174
4. Other Operating Income		26,971.35	1,929,126	-57,754 -	4,519,795
5. Bought out Services:					
a) Cost of Outside Services	-19,175.00	-	1,371,492	-60,758 -	4,754,822
b) Cost of Bought Out Services within EU -§13b Abs 1 UStG	-20,873.88	-	1,493,004	-20,321 -	1,590,274
c) Cost of Bought Out Services outside EU (§13b Abs 2-5 UStG)	<u>-466,674.76</u>	-506,723.64 -	36,243,408	-360,789 -	28,234,965
6. Personnel Costs					
a) Salaries and Wages	-424,320.95	-	30,349,556	-545,602 -	42,698,256
b) Contributions to Social Security, Pensions and other employee Benefits	<u>-89,973.78</u>	-514,294.73 -	36,784,931	-113,500 -	8,882,368
7. Depreciation					
Depreciation of Intangible Assets, Fixed Assets, Plat and of capitalised start-up/expansion costs		-54,695.87 -	3,912,122	-43,941 -	3,438,772
8. Occupancy Costs		-64,908.26 -	4,642,563	-65,963 -	5,162,224
9. Insurance, subscriptions and other charges		-12,839.47 -	918,343	-9,113 -	713,166
10. Other operating expenses		-228,886.63 -	16,371,116	-255,183 -	19,970,391
11. Interest and similar Expenses		-7,126.69 -	509,737	-1,806 -	141,374
<b>12. Results from ordinary activities</b>		<b>1,132,055.06</b>	<b>80,970,238</b>	<b>382,847</b>	<b>29,961,192</b>
13. Taxes on Income and Earnings		-355,464.59 -	25,424,605	-123,691 -	9,679,958
<b>14. Net Profit for the year</b>		<u><b>776,590.47</b></u>	<u><b>55,545,633</b></u>	<u><b>259,155</b></u>	<u><b>20,281,234</b></u>

## **INDEPENDENT AUDITOR'S REPORT**

**To The Board of Directors of  
NIIT Airline Technologies GmbH**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of NIIT Airline Technologies GmbH ("the Company") which comprise the balance sheet as at 31st March, 2016 and the Statements of Profit and Loss of the Company for the period from 1st April 2015 to 31st March 2016 and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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