

GHOSH KHANNA & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NIIT TECHNOLOGIES SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s NIIT Technologies Services Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.



Branches:

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) The company does not require transferring any amount, to the Investor Education and Protection Fund.

For GHOSH KHANNA & CO.
Chartered Accountant
Firm Registration No: 003366N

Amit Mittal
Partner
Membership No. 508748



Place: New Delhi
Date:

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of the Company's fixed assets:

The Company does not hold any fixed assets. Therefore, the provisions of Clause 3(i) of the said Order are not applicable to the Company

2. In respect of the Company's inventories:

The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company

3. The company has not granted any unsecured loan to any of the party covered in register maintained under section 189 of the Act.

4. The company has not made any loan or investment requires complying with the provisions of section 185 and 186 of the Act. Therefore, the provisions of the clause 3 (iv) of the Order are not applicable to the Company.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

6. The provisions of clause (3)(vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

7. According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute.

8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For GHOSH KHANNA & CO.
Chartered Accountant
Firm Registration No: 003366N

Amit Mittal
Partner
Membership No. 508748



Place: New Delhi
Date:

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s NIIT Technologies Services Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that-



- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposal of the assets of the company;
- (2) provide assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and
- (3) Provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GHOSH KHANNA & CO.
Chartered Accountant
Firm Registration No: 003366N

Amit Mittal
Partner
Membership No. 508748

Place: New Delhi
Date:



NIIT TECHNOLOGIES SERVICES LIMITED

Balance Sheet as at 31st March 2016

	PARTICULARS	Notes	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital	3	50,000,000	50,000,000
	Reserves and surplus	4	(22,468,982)	(23,687,636)
2	Non-current liabilities			
3	Current liabilities			
	Trade Payables	5	196,290	169,930
	Other current liabilities	5	12,230	15,555
	TOTAL		27,739,538	26,497,849
II	ASSETS			
1	Non-current assets			
	Long-term loans and advances	6	1,110,451	1,628,983
	Other non-current assets	9	23,314,628	21,531,852
2	Current assets			
	Trade receivables	7	1,651,336	1,651,336
	Cash and bank balances	8	960,783	778,778
	Short-term loans and advances	6	430,255	339,808
	Other current assets	9	272,085	567,092
	TOTAL		27,739,538	26,497,849

The accompanying notes 1-21 are an integral part of the financial statement.
This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors of
NIIT Technologies Services Limited

Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No.003366N

Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Director
DIN: 02362667

Amit Mittal
Partner
Membership No. 508748

Place : New Delhi
Date :



CIN: U72900DL2006PLC156099

NIIT TECHNOLOGIES SERVICES LIMITED
Statement of Profit & Loss for the year ended 31st March 2016

PARTICULARS		Notes	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
INCOME				
I.	Revenue from Operations		-	-
II.	Other Income	10	2,025,306	2,046,339
III.	Total Revenue (I + II)		2,025,306	2,046,339
EXPENDITURE				
IV.	Administration and Other Operating Expenses	11	806,652	2,558,354
	Total Expenses		806,652	2,558,354
V.	Profit before exceptional and extraordinary items and tax (III-IV)		1,218,654	(512,015)
VI	Tax expense: (1) Current tax		-	384,799
VII	Profit / (Loss) for the period (V - VI)		1,218,654	(896,814)
VIII	Earnings per equity share (Face Value Rs. 10/- each):			
	(1) Basic		0.24	(0.18)
	(2) Diluted		0.24	(0.18)

The accompanying notes 1-21 are an integral part of the financial statement.

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board of Directors of
NIIT Technologies Services Limited

For and on behalf of
Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No.003366N

Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Director
DIN: 02362667

Amit Mittal
Partner
Membership No. 508748



Place : New Delhi
Date :

CIN: U72900DL2006PLC156099

NIT Technologies Services Limited

Cash Flow Statement for the year ended 31st March 2016

	Year ended 31st March 2016		Year ended 31st March 2015	
		Rs.		Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit after Tax and share of Associates' profits but after exceptional items		1,218,654		(896,814)
Non cash adjustment to reconcile profit before tax to net cash flows				
Interest Income	(2,025,306)		(2,046,339)	
Foreign Exchange Adjustments	-	(2,025,306)	-	(2,046,339)
Operating profit before working capital changes		(806,652)		(2,943,153)
Movement in Working Capital				
Decrease/(Increase) in Trade Receivables	-		603,984	
Loans and Advances & Other Current Assets	723,092		2,024,788	
Current Liabilities and Provisions	23,035	746,127	(27,430)	2,603,342
Cash generated from/(Used in) operations		(60,525)		(339,810)
Taxes paid (including TDS)		-		-
Net cash Flow from/(Used in) Operating activities (A)		(60,525)		(339,810)
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Loans given to NIT Technologies Limited, India	-		-	
Loans given to NIT Technologies Limited received back	-		15,000,000	
(Increase) / Decrease in Receivables on Sale on Investments				
Interest Received	2,025,306	2,025,306	2,046,339	17,046,339
Net cash used for Investing activities (B)		2,025,306		17,046,339
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Net cash from / (used in) Financing activities (C)		-		-
Net Increase/(Decrease) in Cash & Cash equivalents (A) + (B) + (C)		1,964,781		16,706,529
Adjustment on account of Foreign Exchange Fluctuations		-		-
Cash and Cash equivalents as at the beginning of the year (Note 1)		22,310,630		5,604,101
Cash and cash equivalents as at the end of the year (Note 1)		24,275,411		22,310,630
Notes:				
1 Cash and cash equivalents as on		31st March 2016		31st March 2015
		Rs.		Rs.
Cash, Cheques & Drafts (in hand) and Remittances in transit		-		-
Balances with banks - In Current Account		960,783		778,778
Balances with banks - In Deposit Account		23,314,628		21,531,852
		24,275,411		22,310,630
2 The Notes 1 - 21 form an integral part of the Cash Flow Statement.				
3 Previous year figures, to the extent feasible, have been regrouped/recast wherever necessary to conform to the current year's classification. This is the Cash Flow Statement referred to in our report of even date.				

For and on behalf of the Board of Directors of
NIT Technologies Services Ltd.

For Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No - 003366N

Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Director
DIN: 02362667

Amit Mittal
Partner
Membership No.0508748

Place New Delhi
Date:

CIN: U72900DL2006PLC156099



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

SIGNIFICANT ACCOUNTING POLICIES

1) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 133 [read with Rule 7 of the Companies (Accounts) Rules, 2014] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2) Other significant accounting policies adopted by the company are detailed below:

i) Tangible Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets or the rates prescribed under Schedule II to the Companies Act, 2013, whichever is higher, as follows:

Plant and Equipments including: - Computers, printers and related accessories - Electronic Equipments - Vehicles	3 Years 8 years 8 years
All other assets	Rates prescribed under Schedule II to the Companies Act, 2013

ii) Intangible Fixed Assets and Amortisation

Expenses incurred on internal development of educational content and products are capitalised either individually or as a knowledge bank in the form of software, once their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Accounting Standard 26, "Intangible Assets". Expenses incurred during the research phase till the establishment of commercial feasibility is charged to the Statement of Profit and Loss.

Amortization is provided on a pro-rata basis on the straight-line method over the estimated useful lives of 3-5 years.

Further, educational content, computer system and software are technically evaluated each year for their useful economic life and the unamortised amount of the asset is charged to Statement of Profit and Loss as amortisation over their revised remaining useful life.

iii) Impairment of Assets

All assets other than inventories, investments and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount.



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

iv) Revenue Recognition

The company recognizes the revenue on accrual basis. Revenue in respect of IT enabled services is recognized based on the services performed in accordance with specific agreement with the customer.

v) Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

vi) Foreign Currency Transactions

Transactions in foreign currency are booked at rates determined periodically which approximates the actual rates, and all monetary assets and liabilities in foreign currency are restated at the end of accounting year. Gains/Losses arising out of fluctuations on realization / payment or restatement are charged / credited to the Statement of Profit & Loss.

vii) Taxation

Tax expense, comprising of both current tax and deferred tax is included in determining the net results for the year. Deferred Tax reflects the effect of timing differences between the assets and liabilities recognised for financial reporting purposes and the amounts that are recognised for current tax purposes. As a matter of prudence, deferred tax assets are recognised and carried forward only to the extent, there is reasonable/ virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognised as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that the Company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilised in the year when normal income tax is higher than the MAT.

viii) Provisions and Contingencies

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

ix) Lease

Lease rental in respect of operating lease arrangements are charged as expense to the Statement of Profit and Loss on a straight line basis as per the terms of the related agreements.

x) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

xi) Borrowing Cost

Borrowing costs are recognised in the Statement of Profit and Loss for the period in which they are incurred except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for intended use, in which case, it is capitalised.

xii) Earnings Per Share

The earnings considered in ascertaining the Company's Earnings per share ('EPS') comprises the Net Profit after Tax. The number of shares used in computing the Basic EPS is the weighted average number of shares outstanding during the year. The Diluted EPS is calculated on the same basis as Basic EPS, after adjusting for the effects of potential Dilutive Equity Shares.



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

3	SHARE CAPITAL		As at		As at
			31st March 2016		31st March 2015
			Rs.		Rs.
	Authorised 5,000,000 Equity Shares of Rs. 10/- each (Previous year 5,000,000 Equity Shares of Rs. 10/- each)		50,000,000		50,000,000
			50,000,000		50,000,000
	Issued 5,000,000 Equity Shares of Rs. 10/- each (Previous year - 5,000,000 Equity Shares of Rs. 10/- each)		50,000,000		50,000,000
			50,000,000		50,000,000
	Subscribed and fully paid 5,000,000 Equity Shares of Rs. 10/- each (Previous year - 5,000,000 Equity Shares of Rs. 10/- each)		50,000,000		50,000,000
			50,000,000		50,000,000

3.1	Reconciliation of the number of shares outstanding Equity Shares				
	Shares outstanding at the beginning of the year		5,000,000		5,000,000
	Shares Issued during the year		-		-
	Shares bought back during the year		-		-
	Shares outstanding at the end of the year		5,000,000		5,000,000

3.2	Shares in respect of each class in the company held by	Name of the company	Class of shares Equity/ Preference	As at	
				31st March 2016	31st March 2015
				No. of shares	No. of shares
	Holding company	NIIT Technologies Ltd.	Equity	4,999,994	4,999,994
	Others (representative shareholders)		Equity	6	6

3.3	Shares held by each shareholder holding more than 5% shares	31st March 2016		31st March 2015	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares				
	NIIT Technologies Limited	100%	5,000,000	100%	5,000,000
	Total	100%	5,000,000	100%	5,000,000

CIN: U72900DL2006PLC156099



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

4	RESERVES AND SURPLUS	As at 31st March 2016		As at 31st March 2015	
		Rs.		Rs.	
	Profit & Loss Account				
	Balance Brought Forward from Previous year	(23,687,636)		(22,790,823)	
	Add : Current Year Profit / (Loss) attributable to Share Holders	1,218,654	(22,468,982)	(896,814)	(23,687,636)
	Less:-				
	Transferred to General Reserve		-		-
			(22,468,982)		(23,687,636)

5	CURRENT LIABILITIES	LONG-TERM		SHORT-TERM	
		As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
		Rs.		Rs.	
	Trade Payables				
	- Due to Micro, Small and Medium Enterprises	-	-	-	-
	- Due to Others	-		196,290	169,930
		-	-	196,290	169,930
	Other Current Liabilities:				
	Other Payables	-		12,230	15,555
		-	-	12,230	15,555

CIN: U72900DL2006PLC156099



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

6	LONG TERM LOANS AND ADVANCES	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
i)	Advances recoverable in cash or in kind				
	Secured, considered good	-	-	-	-
	Unsecured, considered good	-	-	430,255	339,808
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful advances	-	-	-	-
(A)		-	-	430,255	339,808
ii)	Other Advances				
	Advance tax	1,936,555	3,071,527	-	-
	Less: Provision for tax	(826,104)	(1,442,544)	-	-
(B)		1,110,451	1,628,983	-	-
	Total (A+B)	1,110,451	1,628,983	430,255	339,808

7	TRADE RECEIVABLES	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
a)	Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
	Unsecured, considered good	-	-	1,651,336	-
	Unsecured, considered doubtful	-	-	-	1,757,320
	Less: Provision for doubtful debts	-	-	-	(1,757,320)
		-	-	1,651,336	-
b)	Other Trade Receivables				
	Unsecured, considered good	-	-	-	1,651,336
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful debts	-	-	-	-
		-	-	-	1,651,336
		-	-	1,651,336	1,651,336
c)	Trade Receivable stated above include debts due by:				
	Directors *			-	-
	Other officers of the Company *			-	-
	Firm in which director is a partner *			-	-
	Private Company in which director is a member			-	-
	Holding Company			1,651,336	1,651,336
	*Either severally or jointly			1,651,336	1,651,336

8	CASH AND CASH EQUIVALENTS	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Cash and cash equivalents:				
	Balance with banks				
	Current Accounts	-	-	960,783	778,778
	Other bank balances:				
	Bank deposits:				
	With original maturity of more than 3 months and upto 12 months [Includes Rs.304,279 - (Previous year Rs 2,827,014/-) pledged as margin money]	23,314,628	21,531,852	-	-
		23,314,628	21,531,852	-	-
		23,314,628	21,531,852	960,783	778,778
	Amount disclosed under non-current assets (Note 9)	(23,314,628)	(21,531,852)	-	-
		-	-	960,783	778,778

9	OTHER ASSETS	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Non Current Bank Balances (Note 8)	23,314,628	21,531,852	-	-
	Interest Receivable - Others	-	-	272,085	567,092
		23,314,628	21,531,852	272,085	567,092

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NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

10	OTHER INCOME	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Interest Income	2,025,306	2,046,339
		2,025,306	2,046,339

11	ADMINISTRATION AND OTHER OPERATING EXPENSES	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Loss on foreign currency translation and transaction (net)	279	-
	Legal and Professional	698,625	617,945
	Provision for Doubtful Debts	-	1,757,320
	Provision for Doubtful Advances (Unbilled) *	-	179,251
	Bank Charges	2,210	67
	Subscription & Membership Fees	105,534	-
	Sundry Expenses	4	3,771
		806,652	2,558,354

* Net of Recovery of Unbilled Trade Receivable amounting to Rs.NIL (Previous Year Rs.17,92,513).

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NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

12. Contingent Liabilities

Guarantees issued by banker outstanding at the end of accounting year Rs. 1,80,000/- (Previous Year Rs. 20,30,000/-).

13. Micro, Small and Medium Enterprises:

There are no Micro, Small and Medium Enterprises, to which the company owes dues, as at 31 March 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

14. Interest received are gross of tax deducted at source of Rs.210,398/- (Previous Year Rs. 205,439/-).

15. (a) Earnings in foreign currency:

	2015-16 (Rs.)	2014-15 (Rs.)
Software Services	-	-
Other income	-	-

(b) Expenditure in Foreign Currency (Net of Taxes)

	2015-16 (Rs.)	2014-15 (Rs.)
Subscription & Membership Fees	105,534	-

16. Payment to Auditors (Excluding Service Tax)

	2015-16 (Rs.)	2014-15 (Rs.)
Statutory audit fees	1,25,000	1,25,000
Tax audit fees	-	-
Others	11,000	4,000
Total	1,36,000	1,29,000

17. Related party transactions as per accounting standard 18:

Related Parties Disclosure for the year 2015-16

A. Key Managerial Personnel

Sr No.	Name	Remarks
1.	Mr. Arvind Mehrotra	Director



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

B. Relatives of Key Managerial Personnel

Sr.No.	Name	Remarks
1.	Mrs. Parneet Mehrotra	Spouse of Mr. Arvind Mehrotra
2.	Mr. Om Prakash Mehrotra	Father of Mr. Arvind Mehrotra
3.	Mrs. Manorama Mehrotra	Mother of Mr. Arvind Mehrotra
4.	Mr. Aman Mehrotra	Son of Mr. Arvind Mehrotra
5.	Ms. Misha Mehrotra	Daughter of Mr. Arvind Mehrotra
6.	Mr. Aseem Mehrotra	Brother of Mr. Arvind Mehrotra
7.	Mrs. Sangeeta Mehrotra	Spouse of Mr. Aseem Mehrotra

C. Holding Company

Sr.No.	Name of Company	Remarks
1.	NIIT Technologies Limited	Holding Company

A. Fellow Subsidiaries

Sr. No.	Name of Company	Remarks
1.	ESRI India Technologies Limited (Erstwhile NIIT GIS Limited)	First Generation Subsidiary Company of NIIT Technologies Ltd.
2.	Incessant Technologies Limited	First Generation Subsidiary Company
3.	NIIT Technologies Services Limited	First Generation Subsidiary Company
4.	NIIT Technologies Limited, UK	First Generation Subsidiary Company
5.	NIIT Technologies Pte Limited, Singapore	First Generation Subsidiary Company
6.	NIIT Technologies Inc, USA	First Generation Subsidiary Company
7.	NIIT Technologies GmbH, Germany	First Generation Subsidiary Company
8.	NIIT Technologies Co. Ltd., Japan	Second/Third Generation Subsidiary Company
9.	NIIT Technologies BV, Netherlands	Second/Third Generation Subsidiary Company
10.	NIIT Technologies NV, Belgium	Second/Third Generation Subsidiary Company
11.	NIIT Technologies Ltd, Thailand	Second/Third Generation Subsidiary Company
12.	NIIT Technologies Pty Ltd, Australia	Second/Third Generation Subsidiary Company
13.	NIIT Technologies AG, Switzerland	Second/Third Generation Subsidiary Company
14.	NIIT Insurance Technologies Limited, U.K.	Second/Third Generation Subsidiary Company
15.	NIIT Airline Technologies GmbH, Germany	First Generation Subsidiary Company
16.	NIIT Technologies FZ LLC	First Generation Subsidiary Company
17.	NIIT Media Technologies	Second Generation Subsidiary Company
18.	NIIT Technologies S A	Second Generation Subsidiary Company
19.	NIIT Technologies Philippines Inc.	First Generation Subsidiary company
20.	NIIT Technologies Brazil Ltda.	Second Generation Subsidiary company
21.	Incessant Technologies. Ltd.(UK)	Second Generation Subsidiary company



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

22.	Incessant Technologies Inc, (Canada)	Second Generation Subsidiary company
23.	Incessant Technologies Ltd., (Ireland)	Second Generation Subsidiary company
24.	Incessant Technologies Pty Ltd. (Australia)	Second Generation Subsidiary company
25.	Incessant Technologies NA Inc (USA)	Second Generation Subsidiary company

B. Associate Companies with whom transaction done during the year

Sr. No.	Name of Company	Remarks
1.	NIIT Limited, India	Associate Company

C. List of other Companies in which key Managerial Personnel are interested

S No	Name of Companies/Firms	Remarks
	-----NIL-----	

- Details of transaction and balances with related parties:

a) Details of transactions with related parties (described above) and its affiliates carried out on an arms length basis:-

Nature of Transactions	NIIT Technologies Ltd.	Fellow Subsidiaries
Receiving of Services (Note 2)	265 (1,061)	NIL (NIL)
Recovery of Expenses (Note 3)	NIL (1,613,263)	NIL (NIL)
Interest Received (Note 4)	NIL (1,228,769)	NIL (NIL)
Loan Repayment Received (Note 5)	NIL (15,000,000)	NIL (NIL)

b) Details of balances with related parties as at year end

	NIIT Technologies Ltd.	Fellow Subsidiaries
Receivables (Note 6)	1,651,336 (1,651,336)	NIL (NIL)
Payables	NIL (NIL)	NIL (NIL)

Note: 1. Figure in parenthesis represents previous year's figure.

2. Includes transactions for the year mainly with:
NIIT Technologies Ltd, India Rs. 265 (Previous Year Rs. 1.061).
3. Includes transactions for the year mainly with:
NIIT Technologies Ltd, India Rs. NIL (Previous Year Rs. 1.613.263).
4. Includes transactions for the year mainly with:
NIIT Technologies Ltd, India Rs. NIL (Previous Year Rs. 1.228.769).



NIIT TECHNOLOGIES SERVICES LIMITED
Notes to Financial Statements for the year ended 31st March 2016

5. Includes transactions for the year mainly with:
NIIT Technologies Ltd, India Rs. NIL (Previous Year Rs. 15,000,000).
6. Includes balances mainly with:
NIIT Technologies Ltd, India Rs. 1,651,336 (Previous Year Rs. 1,651,336).

18. Earnings per Share

		2015-16	2014-15
Profit attributable to Equity shareholders (Rs.)	(A)	1,218,654	(896,814)
Weighted Average number of Equity shares Outstanding during the year	(B)	5,000,000	5,000,000
Nominal Value of Equity Shares (Rs.)		10	10
Basic Earnings per share (Rs)	(A/B)	0.24	(0.18)

19. Leases

There is no operating lease entered into by the Company during the current year. Aggregate expenditure in respect of operating lease amounts to Rs. NIL (Previous year Rs. NIL).

20. Going Concern

The accumulated losses of the Company as at March 31, 2016 amounting to Rs. 22,468,982/- have eroded a substantial part of its net worth. The assets and liabilities are stated at realizable value, and thus, no further adjustment to the same are considered necessary. Also, the company has made cash profit in current financial year. Accordingly, these financial statements are prepared on a going concern basis.

21. The previous year figures have been regrouped wherever necessary to conform to current year classification.

Signature to the Notes '1' to '21' above

Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Director
DIN: 02362667

Place : New Delhi
Date :

