

GHOSH KHANNA & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NIIT TECHNOLOGIES SERVICES LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of M/s NIIT Technologies Services Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss, statement in change in equity 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rule issued thereunder.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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



Branch:

31, 2017, and its financial performance including other comprehensive income , its cash flows and change in the equity 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, statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the relevant rule issued thereunder
 - (e) On the basis of the written representations received from the Directors as on March 31, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 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.
 - iv) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2 (iv) to the Ind AS financial statements.

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 2017 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: 28th April, 2017

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 2017 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 2017, 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: 28th April 2017

NIIT Technologies Services Limited
Balance Sheet


Particulars	Notes	31 March 2017	31 March 2016	1 April 2015
		INR	INR	INR
ASSETS				
Non-current assets				
Financial assets	2			
(i) Other financial assets	2 (i)	1,484,200	-	-
Total non-current assets		1,484,200	-	-
Current assets				
Financial assets	2			
(ii) Trade receivables	2 (ii)	1,651,336	1,651,336	1,651,336
(iv) Cash and cash equivalents	2 (iii)	335,625	960,783	778,778
(v) Bank balances other than (iii) above	2 (iv)	23,442,508	23,314,628	21,531,852
Current tax assets	3	905,247	1,110,451	1,628,983
Other current assets	4	766,234	702,340	906,900
Total current assets		27,100,950	27,739,538	26,497,849
TOTAL ASSETS		28,585,150	27,739,538	26,497,849
EQUITY AND LIABILITIES				
Equity				
Equity share capital	5	50,000,000	50,000,000	50,000,000
Other equity				
Reserves and Surplus	6	(21,615,689)	(22,468,982)	(23,687,636)
Total equity		28,384,311	27,531,018	26,312,364
LIABILITIES				
Non-Current Liabilities				
Current liabilities				
Financial Liabilities	7			
(i) Trade Payables	7 (i)	189,300	196,290	169,930
Other current liabilities	8	11,539	12,230	15,555
Total current liabilities		200,839	208,520	185,485
TOTAL EQUITY AND LIABILITIES		28,585,150	27,739,538	26,497,849

The accompanying notes form an integral part of the financial statement.
As per our report of even date attached

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

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


Amit Mittal
Partner
Membership No. 508748




Arvind Mehrotra
Director
DIN: 03211148


Bhaskar Chavali
Director
DIN: 02362667


Monika Arora
Company Secretary

Place : New Delhi
Date : 28th April 2017

NIIT Technologies Services Limited
Statement of Profit and Loss

Particulars	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Revenue from operations	9	-	-
Other income	9 (a)	1,861,568	2,025,027
Total income		1,861,568	2,025,027
Expenses			
Finance costs	10	-	2,210
Other expenses	11	700,544	804,163
Total expenses		700,544	806,373
Profit/(loss) before tax		1,161,024	1,218,654
Income Tax expense:			
Current tax	12	307,731	-
Total tax expense		307,731	-
Profit for the period		853,293	1,218,654
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		853,293	1,218,654
Earnings per equity share for profit from operations attributable to owners of NIIT Technologies Services Limited:			
Basic earnings per share		0.17	0.24
Diluted earnings per share		0.17	0.24

The accompanying notes form an integral part of the financial statement.
As per our report of even date attached

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

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

Amit Mittal
Partner
Membership No. 508748



Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Director
DIN: 02362667

Monika Arora
Company Secretary

Place : New Delhi
Date : 28th April 2017

NIIT Technologies Services Limited

Statement of Changes in Equity

a. Equity Share Capital		
Particulars	Number	Amount
As at 1 April 2015	5,000,000	50,000,000
Changes in equity share capital	-	-
As at 31 March 2016	5,000,000	50,000,000
Changes in equity share capital	-	-
As at 31 March 2017	5,000,000	50,000,000

b. Other Equity		
Description	Reserves and Surplus	
	Retained Earnings	Amount
Balance at 1 April 2015	(23,687,636)	(23,687,636)
Profit for the year	1,218,654	1,218,654
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	1,218,654	1,218,654
At 31 March 2016	(22,468,982)	(22,468,982)

Description	Reserves and Surplus	
	Retained Earnings	Amount
Balance at April 1 2016	(22,468,982)	(22,468,982)
Profit for the year	853,293	853,293
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	853,293	853,293
At 31 March 2017	(21,615,689)	(21,615,689)

The accompanying notes form an integral part of the financial statement.
As per our report of even date attached

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

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


Amit Mittal
Partner
Membership No. 508748




Arvind Mehrotra
Director
DIN: 03211148


Bhaskar Chavali
Director
DIN: 02362667


Monika Arora
Company Secretary

Place : New Delhi
Date : 28th April 2017

NIIT Technologies Services Limited
Statement of Cash Flows

	Year ended 31 March 2017	Year ended 31 March 2016
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	1,161,024	1,218,654
Profit before income tax including discontinued operations	1,161,024	1,218,654
Adjustment for:		
Dividend and interest income classified as investing cash flows	(1,861,568)	(2,025,306)
Changes in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:	(700,544)	(806,652)
Increase/(Decrease) in trade payables	(7,681)	23,035
(Increase)/Decrease in other current assets	(97,737)	(90,447)
Cash generated from operations	(805,962)	(874,064)
Income taxes paid	(102,527)	518,532
Net cash inflow from operating activities	(908,489)	(355,532)
Cash flow from investing activities		
Interest received	1,895,411	2,320,313
Net cash outflow from investing activities	1,895,411	2,320,313
Cash flow from financing activities	-	-
Net increase (decrease) in cash and cash equivalents	986,922	1,964,781
Cash and cash equivalents at the beginning of the financial year	24,275,411	22,310,630
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents	25,262,333	24,275,411
Balance as per statement of cash flows	25,262,333	24,275,411

The accompanying notes form an integral part of the financial statement.
As per our report of even date attached


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

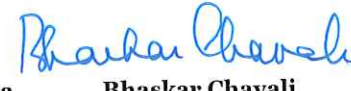

Amit Mittal
Partner
Membership No. 508748



Place : New Delhi
Date : 28th April 2017

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


Arvind Mehrotra
Director
DIN: 03211148


Bhaskar Chavali
Director
DIN: 02362667


Monika Arora
Company Secretary

NIIT Technologies Services Limited
Notes to Financial Statements for the financial year ended March 31, 2017

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

There is no impact of adoption of Indian Accounting Standards (Ind AS) on account of earlier financial years. Hence, no reconciliation of the effect of the transition is required.

(b) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used, but not limited to accounting for costs expected to be incurred to complete performance under IT service arrangements, allowance for uncollectible accounts receivables and unbilled revenue, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, equipment and intangible assets, impairment of property, equipment, intangibles and goodwill, valuation allowances for deferred tax assets, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the period in which the changes are made. Actual results could differ from those estimates.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company is measured using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Financial statements of the Company are presented in Indian Rupee (INR), which is the Company's functional & presentation currency.

(ii) Transactions & Balances

All foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency & the foreign currency at the monthly rate. Foreign exchange gains & losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange difference on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts, taxes and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



NIIT Technologies Services Limited
Notes to Financial Statements for the financial year ended March 31, 2017

Current tax, deferred tax & MAT credit are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

(f) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such as sets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expenses on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or a group of assets (cash-generating units). Non-financial assets, other than goodwill, that suffer an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(i) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(j) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gain & losses will either be recorded in profit or loss or other comprehensive income. For investment in debt instruments, this will depend on the business model in which the investment is held.

The Company reclassifies debt investment when & only when its business model for managing those assets changes.

For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. In the case of financial asset not at fair value transaction costs are directly expensed off in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of the contractual cash flows and for selling the financial assets, where the asset's cash flow represents solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost, FVPL and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. **Note 29** details how the group determines whether there has been a significant increase in credit risk.



NIIT Technologies Services Limited
Notes to Financial Statements for the financial year ended March 31, 2017

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivable.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where an entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where an entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where an entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income is recognized using the effective interest method.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(l) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets. The estimates of useful lives of the assets are as follows:

Asset	Useful life
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Other assets	3-15 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).



Intangible assets

Amortization methods and periods

The Company amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Patents, copyright and other rights	5 years
Computer software - external	3 years
Non - compete fees	6 years

Project specific software's are amortized over the project duration

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognized as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(l) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(m) Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimates of the expenditure incurred to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post - employment obligations

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the Holding Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.



Superannuation

The Company makes defined contribution to a Trust established for this purpose. The Company has no further obligation beyond its monthly contributions. The Company's contribution towards Superannuation Fund is charged to Statement of Profit and Loss.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date less fair value of plan assets. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/ losses are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as long term employee benefits. The Company's liability is actuarially determined (using projected unit credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

(iv) Bonus

The Company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged as per the provisions of The Payment of Bonus Act, 1965 as notified on January 01, 2016.

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(p) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(q) Fair value measurement

The company measures financial instruments, such as investment in mutual funds etc., at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

-In the principal market for the asset or liability, or

-In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, management regularly reviews significant unobservable inputs applied in the valuation by agreeing the information in the valuation computation to contracts and other relevant documents.



2 Financial Assets

2 (i) Other Financial Assets	31 March 2017		31 March 2016		1 April 2015	
	Current	Non- Current	Current	Non- Current	Current	Non- Current
Long term deposits with bank with maturity period more than 12 months [Refer Note (b) below]	-	1,484,200	-	-	-	-
Total other financial assets	-	1,484,200	-	-	-	-

(a) Financial Assets carried at amortized cost

(b) Including Held as margin money by bank against bank guarantees as at 31st March, 2017 - Rs.NIL (31st March 2016 - Rs.NIL).

2 (ii) Trade receivables	31 March 2017		31 March 2016		1 April 2015	
	Trade receivables	-	-	-	-	1,757,320
Receivables from related parties	1,651,336	-	1,651,336	-	1,651,336	(1,757,320)
Less: Allowance for doubtful debts	-	-	-	-	-	(1,651,336)
Total receivables	1,651,336	1,651,336	1,651,336	1,651,336	1,651,336	1,651,336
Current Portion	1,651,336	-	1,651,336	-	1,651,336	-
Non-Current Portion	-	-	-	-	-	-
Break-up of security details						
Secured, considered good	-	-	-	-	1,651,336	1,651,336
Unsecured, considered good	1,651,336	-	1,651,336	-	-	(1,757,320)
Doubtful	-	-	-	-	-	(105,984)
Total	1,651,336	1,651,336	1,651,336	1,651,336	1,651,336	1,757,320
Allowance for doubtful debts	-	-	-	-	-	1,757,320
Total trade receivables	1,651,336	1,651,336	1,651,336	1,651,336	1,651,336	1,651,336

2 (iii) Cash and cash equivalents	31 March 2017		31 March 2016		1 April 2015	
	Balances with Banks	-	-	-	-	778,778
- in Current Accounts	335,625	-	960,783	-	778,778	778,778
Total cash and cash equivalents	335,625	335,625	960,783	960,783	778,778	778,778

2 (iv) Bank Balances other than (iii) above	31 March 2017		31 March 2016		1 April 2015	
	Deposits with maturity more than 3 months but less than 12 months [Refer Note (a) below]	23,442,508	-	23,314,628	-	21,531,852
Total Bank Balances other than (iii) above	23,442,508	23,442,508	23,314,628	23,314,628	21,531,852	21,531,852

(a) Held as margin money by bank against bank guarantees as at 31st March, 2017 - Rs.325,344 (31st March 2016 - Rs.304,279).

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

The details of balances as on Balance Sheet dates with banks are as follows:

Particulars	31 March 2017	31 March 2016
In Current Accounts [Refer Note 2(iii)] above		
Indian Overseas Bank	81,762	494,528
ICICI Bank	253,864	466,256
Total balance in Current Accounts	335,625	960,783
In Deposit Accounts [Refer Note 2 (i) & (iv)] above		
Indian Overseas Bank	4,101,364	3,910,349
ICICI Bank	20,500,000	19,100,000
Total balance in Current Accounts	24,601,364	23,010,349
In Margin Money Deposits against Guarantees		
Indian Overseas Bank	325,344	304,279
Total balance in Current Accounts	325,344	304,279
Total Cash and Cash Equivalents as per Balance Sheet (Current and Non Current)	25,262,333	24,275,411

Disclosure on Specified Bank Notes (SBNs)

For the reporting of Specified Bank Notes or Other Denomination Notes as defined in the MCA notification G.S.R.308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The Company have NIL balances of Cash and accordingly no transaction / deposit has been made during the specified period.

3 Current tax assets	31 March 2017		31 March 2016		1 April 2015	
	Advance Income Tax	1,252,045	-	1,419,024	-	2,553,996
Less: Provision for income tax	346,798	-	308,573	-	925,013	925,013
Less: Tax expense for the year	-	-	-	-	-	-
	<u>905,247</u>	<u>905,247</u>	<u>1,110,451</u>	<u>1,110,451</u>	<u>1,628,983</u>	<u>1,628,983</u>
Advance fringe benefits tax	517,531	-	517,531	-	517,531	517,531
Less: Provision for fringe benefits tax	517,531	-	517,531	-	517,531	517,531
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current tax assets	905,247	905,247	1,110,451	1,110,451	1,628,983	1,628,983

4 Other current assets	31 March 2017		31 March 2016		1 April 2015	
	Interest accrued on deposits with banks	238,242	-	272,085	-	567,092
Service Tax - Input Credit	527,992	-	430,255	-	339,808	339,808
Total other current assets	766,234	766,234	702,340	702,340	906,900	906,900



5 Share Capital

Authorized equity share capital

	Number of shares	Amount
As at April 01, 2015	5,000,000	50,000,000
Increase during the year	-	-
As at March 31, 2016	5,000,000	50,000,000
Increase during the year	-	-
As at March 31, 2017	5,000,000	50,000,000

(i) Movements in equity share capital

Notes	Number of shares	Amount
As at April 01, 2015	5,000,000	50,000,000
Increase during the year	-	-
As at March 31, 2016	5,000,000	50,000,000
Increase during the year	-	-
As at March 31, 2017	5,000,000	50,000,000

(ii) Terms and rights attached to equity shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	Equity Shares					
	31 March 2017		31 March 2016		1 April 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NIIT Technologies Limited	5,000,000	100%	5,000,000	100%	5,000,000	100%

	31 March 2017	31 March 2016	1 April 2015
6 Reserves and Surplus			
Surplus in Statement of Profit and Loss	(21,615,689)	(22,468,982)	(23,687,636)
Total reserve and surplus	(21,615,689)	(22,468,982)	(23,687,636)

(iii) Retained Earnings

	31 March 2017	31 March 2016
Surplus in Statement of Profit and Loss		
Opening balance	(22,468,982)	(23,687,636)
Net profit for the period	853,293	1,218,654
Balance transferred to General Reserve	-	-
Closing balance	(21,615,689)	(22,468,982)



7 Financial liabilities

7(i) Trade Payables

	31 March 2017	31 March 2016	1 Apr 2015
Current			
Trade Payables	189,300	196,290	169,930
Trade Payables to related parties	-	-	-
Total trade payables	189,300	196,290	169,930

There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2017. 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.

8 Other current liabilities

	31 March 2017	31 March 2016	1 Apr 2015
Statutory dues including provident fund and TDS	11,539	12,230	15,555
Others Payable	-	-	-
Total other current liabilities	11,539	12,230	15,555



	31 March 2017	31 March 2016
9 Revenue from operations		
Sale of services	-	-
Total revenue from continuing operations	-	-
9 (a) Other income		
Interest income from financial assets at amortized cost	1,861,568	2,025,306
Loss on exchange fluctuations (net)	-	(279)
Total other income	1,861,568	2,025,027
10 Finance costs		
Bank and financial charges	-	2,210
Finance costs expensed in profit or loss	-	2,210
11 Other expenses		
Rates and taxes	50	-
Legal and professional fees [Refer note 19 (a) below]	700,494	698,625
Miscellaneous expenses	-	105,538
Total other expenses	700,544	804,163
11 (a) Details of payments to auditors		
Payments to auditors (excluding service tax)		
As auditor:		
Audit Fee	125,000	125,000
In other capacities:		
Re-imburement of expenses	10,000	11,000
Total payments to auditors	135,000	136,000

12 Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

(a) Income tax expense

<i>Current tax</i>		
Current tax on operating profits of the year	346,798	-
Adjustments for current tax of prior periods	(39,067)	-
Total current tax expense	307,731	-
<i>Deferred tax</i>		
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	307,731	-
Income tax expense is attributable to:		
Profit from continuing operations	346,798	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	31 March 2017	31 March 2016
Profit from continuing operations before income tax expense	1,161,024	1,218,654
Profit from other comprehensive income before income tax expense	-	-
Tax at the Indian tax rate of 29.87% (2015-2016 - 30.90%)	346,798	376,564
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	(39,067)	-
Effect due to temporary timing differences - Bad Debt write off	-	(376,564)
Income tax expense	307,731	-



13 Related Party Disclosure

A Key Managerial Personnel

	Name	Remarks
1	Mr. Arvind Mehrotra	Director

B Holding Company

	Name of Company	Remarks
	NIIT Technologies Limited	Holding Company

C Fellow Subsidiaries

	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 (Erstwhile Adecco NIIT Technologies 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 LLC	Second Generation Subsidiary Company
18	NIIT Technologies SA	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
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

D Associate Companies with whom transaction done during the year

	Name of Company	Remarks
	NIIT Limited, India	Associate Company

E List of other Companies in which key Managerial Personnel are interested

	Name of Companies/Firms	Remarks
	-----NIL-----	



- Details of transaction and balances with related parties:

Details of transaction with related parties.

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties of whom the company is an associate	Key Managerial Personnel
Rendering of Services (Note 2)	NIL (265)	NIL (NIL)	NIL (NIL)

Details of balances with related parties as at year end.

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties of whom the company is an associate	Key Managerial Personnel
Receivable (Note 3)	1,651,336 (1,651,336)	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.NIL (Previous Year Rs.265)
- 3 Includes balances mainly with;
NIIT Technologies Ltd., India Rs.1,651,336 (Previous Year Rs.1,651,336)



14 Fair value measurements
Financial instruments by category

	31 March 2017			31 March 2016		
	FVPL	FVTOCI	Amortized Cost	FVPL	FVTOCI	Amortized Cost
Financial assets						
Trade and other receivables			1,651,336			1,651,336
Cash and cash equivalents			335,625			960,783
Deposits with maturity more than 3 months but less than 12 months			23,442,508			23,314,628
Long term deposits with bank with maturity period more than 12 months			1,484,200			-
Total Financial assets	-	-	26,913,669	-	-	25,926,747
Financial liabilities						
Trade and other payables			189,300			196,290
Total Financial liabilities	-	-	189,300	-	-	196,290

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:

- (a) recognized and measured at fair value and
(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31 March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVPL					
Total financial assets		-	-	-	-
Financial liabilities					
Financial Investments at FVOCI					
Total financial liabilities		-	-	-	-

Assets and liabilities which are measured at amortized cost for which fair values are disclosed At 31 March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Trade and other receivables		-	-	1,651,336	1,651,336
Cash and cash equivalents		-	-	335,625	335,625
Deposits with maturity more than 3 months but less than 12 months		-	-	23,442,508	23,442,508
Long term deposits with bank with maturity period more than 12 months		-	-	1,484,200	1,484,200
Total financial assets		-	-	26,913,669	26,913,669
Financial Liabilities					
Trade and other payables		-	-	189,300	189,300
Total financial liabilities		-	-	189,300	189,300

Financial assets and liabilities measured at fair value - recurring fair value measurements At 31 March 2016	Notes	Level 1	Level 2	Level 3	Total
Financial assets					



Financial Investments at FVPL					
Total financial assets		-	-	-	-
Financial liabilities					
Financial Investments at FVPL					
Total financial liabilities		-	-	-	-

Assets and liabilities which are measured at amortized cost for which fair values are disclosed At 31 March 2016	Level 1	Level 2	Level 3	Total
Financial assets				
Trade and other receivables	-	-	1,651,336	1,651,336
Cash and cash equivalents	-	-	960,783	960,783
Deposits with maturity more than 3 months but less than 12 months	-	-	23,314,628	23,314,628
Long term deposits with bank with maturity period more than 12 months	-	-	-	-
Total financial assets	-	-	25,926,747	25,926,747
Financial Liabilities				
Trade and other payables	-	-	196,290	196,290
Total financial liabilities	-	-	196,290	196,290

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



15 Contingent liabilities and contingent assets**(a) Contingent liabilities**

The company had contingent liabilities in respect of:

	31 March 2017	31 March 2016	31 March 2015
Counter guarantees issued by bankers in favour of Sales Tax Department	180,000	180,000	180,000

(b) Contingent assets

The company does not have any contingent assets as at 31st March 2017, 31st March 2016 and 1st April 2015.

16 Earnings per Share

	31 March 2017 INR	31 March 2016 INR
(a) Basic and diluted earnings per share		
Basic earnings per share attributable to the equity holders of the company	0.17	0.24
(b) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
Profit from continuing operations attributable to the equity holders of the company:	853,293	1,218,654
	853,293	1,218,654
Profit attributable to the equity holders of the company used in calculating diluted earnings per share		
(c) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5,000,000	5,000,000



NIIT Technologies Services Limited
Notes to Financial Statements for the financial year ended March 31, 2017

17 Party balances are subject to confirmation and reconciliation

18 Previous year figures have been reclassified to confirm the current year classification. Reclassification of previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For and on behalf of
Ghosh Khanna & Co.
Chartered Accountants
Firm's Registration No.: 003364N

Amit Mittal
Amit Mittal
Partner
Membership No. 508748



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

Arvind Mehrotra
Arvind Mehrotra
Director
DIN: 03211148

Bhaskar Chavali
Bhaskar Chavali
Director
DIN: 02362667

Monika Arora
Monika Arora
Company Secretary

Place : New Delhi
Date : 28th April 2017