

NIIT

technologies

New Ideas, More Value.™

At the Heart of Delivering Value

ANNUAL REPORT | 2015 - 16

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OUR VISION

VALUES, MOTIVES AND BELIEFS

WE, NIIT, BELIEVE THAT OUR GROWTH IS THE DERIVATIVE OF THE GROWTH OF EACH ONE OF US. IT IS THE DUTY OF EACH ONE OF US TO ESPOUSE AND GIVE ACTIVE EFFECT TO THE VALUES, MOTIVES AND BELIEFS WE STATE HERE

•

NIIT IS PEOPLE

WE HAVE POSITIVE REGARD FOR EACH ONE OF US

•

WE WILL FOSTER CAREER-BUILDING BY CREATING OPPORTUNITIES THAT DEMAND LEARNING, THINKING AND INNOVATION FROM EACH ONE OF US.

•

WE EXPECT EACH OF US TO CONTRIBUTE TO THE PROCESS OF ORGANISATION BUILDING AND THUS DERIVE PRIDE, LOYALTY AND EMOTIONAL OWNERSHIP.

•

WE RECOGNISE THE NECESSITY OF MAKING MISTAKES AND RISK-TAKING WHEN IT CONTRIBUTES TO THE LEARNING, INNOVATION AND GROWTH OF EACH ONE OF US.

•

NIIT IS QUALITY AND VALUE

EACH OF US WILL ENSURE THAT IN ANY ASSOCIATION WITH SOCIETY, SOCIETY BENEFITS SUBSTANTIALLY MORE THAN:

- (A) WHAT SOCIETY GIVES TO US.
 - (B) WHAT SOCIETY WOULD GAIN FROM ANY OTHER SIMILAR ASSOCIATION
-

WE WILL MEET ANY AND EVERY COMMITMENT MADE TO SOCIETY IRRESPECTIVE OF ANY COST THAT MAY HAVE TO BE INCURRED.

•

WE WILL ENSURE OUR PROFITABILITY, LONG-TERM GROWTH AND FINANCIAL STABILITY, THROUGH THE PROCESS OF DELIVERING THE BEST, BEING SEEN AS THE BEST AND BEING THE BEST.

•

WE WILL BE FAIR IN ALL OUR DEALINGS AND PROMOTE HIGH STANDARDS OF BUSINESS ETHICS.

•

NIIT IS A MISSION

WE WILL GROW IN THE RECOGNITION AND RESPECT WE COMMAND, THROUGH PIONEERING AND LEADING IN THE EFFECTIVE DEPLOYMENT OF TECHNOLOGY AND KNOW-HOW.

•

WE WILL SEEK TO PLAY A KEY-ROLE IN THE DIRECTIONS AND DEPLOYMENT OF TECHNOLOGY AND KNOW-HOW FOR THE BENEFIT OF MANKIND.

Corporate Information

Board of Directors



Rajendra S Pawar
Chairman & Managing Director



Arvind Thakur
Chief Executive Officer
& Joint Managing Director



Vijay K Thadani
Non-Executive Promoter Director



Surendra Singh
Independent Director



Amit Sharma
Independent Director



Ashwani Puri
Independent Director



Holly Jane Morris
Independent Director

Company Secretary

Lalit Kumar Sharma

Chief Financial Officer

Amit Kumar Garg

Auditors

Price Waterhouse

Financial Institutions/Bankers

Indian Overseas Bank

ICICI Bank Limited

Standard Chartered Bank

Citibank NA

Wells Fargo Bank

Lloyds TSB Bank Plc

NatWest

Registered Office

NIIT Technologies Ltd.

8, Balaji Estate, First Floor

Guru Ravi Das Marg, Kalkaji,

New Delhi - 110 019, India

Email: investors@niit-tech.com

Tel : +91-11-41675000

Fax : +91-11-41407120

Corporate Office

NIIT Technologies Limited

Corporate Office

Tapasya Corp Heights

Plot No. - 5, Sector - 126,

Noida Express Highway,

Noida, UP, INDIA

Ph: +91 120 711 8400

Fax: +91 120 711 9150

Registrar & Share Transfer Agent

Alankit Assignments Ltd.

Unit - NIIT Technologies Ltd.

1E/13

Jhandewalan Extn.,

New Delhi - 110 055

Tel : +91-11-23541234, 42541234

Fax : +91-11-41543474

Email: rta@alankit.com

NIIT Technologies Website

Corporate Website : www.niit-tech.com

All trademarks acknowledged.

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of NIIT Technologies Limited will be held on Monday, August 01, 2016, at 9:00 A.M. at Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi – 110074 to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt:
 - the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 together with Report of the Auditors thereon;
- To declare dividend on Equity Shares of the Company.
- To appoint a Director in place of Mr. Vijay K Thadani (DIN 00042527), who retires by rotation and, being eligible, offers himself for re-appointment.
- To ratify the appointment of M/s Price Waterhouse, Chartered Accountants (FRN 301112E), Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration and if thought fit, to pass the following resolution, with or without modifications as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 framed thereunder, as amended from time to time, the appointment of M/s Price Waterhouse, Chartered Accountants (FRN 301112E), be and is hereby ratified by the Members of the Company, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors.”

**By the Order of the Board
For NIIT Technologies Limited
Sd/-**

Lalit Kumar Sharma

Place: Noida Company Secretary & Legal Counsel
Date : May 6, 2016 Membership No. FCS 6218

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE**

COMPANY.A PERSON SHALL NOT ACT AS A PROXY FOR MORE THAN 50 MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY. HOWEVER, A SINGLE PERSON MAY ACT AS A PROXY FOR A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- Proxy shall not be entitled to speak at the Meeting. Proxies, in order to be effective should be duly completed, stamped and signed and must be received at the Registered Office of the Company at 8, Balaji Estate, Guru Ravi Das Marg, Kalkaji, New Delhi -110019, either in person or through post not later than 48 hours before the commencement of the meeting (i.e. on or before July 30, 2016 at 9:00 A.M. IST). A blank proxy form is enclosed. The Members may please note that:

- All un-named, undated, unstamped or inadequately stamped proxy forms shall not be considered as valid.
- Proxy-holder shall carry his/her identity proof (Driving License/Aadhaar Card/Voter ID Card/Passport/PAN Card) in order to prove his/her identity at the Annual General Meeting.
- In case the meeting gets adjourned, the proxy given for the adjourned meeting shall revoke the proxy for the original meeting.
- A proxy later in date shall revoke any proxy/proxies dated prior to such proxy.
- Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company in the business hours during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged is required to be provided to the Company at its Registered Office situated at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110019 or Email: investors@niit-tech.com, Ph. No. +91 11 41675000 Fax: +91 11 41407120 Website: www.niit-tech.com

- Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
- Members/proxies/authorised representatives are requested to bring to the Meeting, duly completed and signed Attendance Slips mentioning therein the details of their DP ID & Client ID/Folio No. to attend the Meeting.

NOTICE

5. Final dividend of Rs.10/- per equity share has been recommended by the Board of Directors for the Year ended March 31, 2016 pursuant to the provisions of the Companies Act, 2013, and if declared at the ensuing Annual General Meeting, it will be paid within 30 days of the declaration, i.e. on or before August 31, 2016, to those Members whose names appear in the Register of Members/in the records of the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners of the shares as at the end of business hours on Monday, July 25, 2016.
6. The Register of Members and Share Transfer Books of the Company shall remain closed on the Book Closure Dates, i.e., Tuesday, July 26, 2016 to Monday, August 01, 2016 (both days inclusive).
7. While Members holding shares in physical form may write to the Company's Registrar and Share Transfer Agent i.e. Alankit Assignments Limited, Alankit Heights, RTA Division, Unit: NIIT Technologies Limited 1E/13, Jhandewalan Extension, New Delhi – 110055, for changes, if any, in their address and bank mandates, members having shares in electronic form may inform such changes directly to their Depository Participant immediately so as to enable the Company to dispatch dividend warrant(s) at their correct address(es).
8. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio.
9. Every Company, as per the provisions of SEBI circular no. DCC/FITTCIR-3/2001 dated October 15, 2001 and circular no. CIR/MRD/DP/10/2013 dated March 21, 2013, is mandatorily required to use Electronic Clearing System (ECS) facility for distributing dividends or other cash benefits to investors wherever applicable. Currently ECS facility is available at locations specified by RBI.
In view of the above, the shareholders holding shares in physical form are requested to provide to Registrar and Share Transfer Agent i.e. Alankit Assignments Limited, Alankit Heights, RTA Division, Unit: NIIT Technologies Limited 1E/13, Jhandewalan Extension, New Delhi – 110055, for changes, if any, in their address and bank mandates, so that all future dividends can be remitted through ECS. In case of shareholders staying at locations not covered by ECS, the bank details shall be printed on the Dividend Warrants so as to protect against any fraudulent encashment of the same. The Shareholders can obtain a copy of the ECS Mandate Form from the Registered Office of the Company or can download from the website of the Company at www.niit-tech.com.
In respect of members who hold shares in dematerialized form, their Bank Account details, as furnished by their Depositories to the Company, will be printed on their Dividend Warrant as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of or change in Bank Account details. Members who wish to change their Bank Account details are therefore requested to advise their Depository Participants about such change. We encourage members to utilise Electronic Clearing System (ECS) for receiving Dividends.
10. In terms of provisions of Companies Act, 2013, Members desirous of appointing their Nominees for the shares held by them may apply in the Nomination Form (Form - SH 13). The said form can be downloaded from the Company's website www.niit-tech.com (under 'Investors' section). Members holding shares in physical form may submit the same to the Company at the Registered Office. Members holding shares in electronic form may submit the same to their respective Depository Participant.
11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
12. The following Registers will be available for inspection of Members of the Company at the Annual General Meeting:
 - Register of Directors & KMP u/s 170 of the Companies Act, 2013
 - Register of Contracts or Arrangements in which Directors are interested u/s 189 of the Companies Act, 2013
13. The certificate from the Auditors of the Company certifying that the Company's Employee Stock Option Plan has been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, and in accordance with the resolutions passed by the members in the General Meeting will be available at the venue for inspection by the Members.
14. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.
15. Members may please note that no gifts/ gift coupons shall be distributed at the venue of the Annual General Meeting.
16. Pursuant to Section 205A and 205C of the Companies Act, 1956 (corresponding to Section 124 of the Companies Act, 2013), all unclaimed/unpaid dividend for the Financial Year ended on March 31, 2008, have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government during the year. No claim shall be entertained against IEPF or the Company for the amount already transferred.
Members who have not so far encashed Dividend Warrant(s) for the financial year ended March 31, 2009

NOTICE

and thereafter are requested to approach the Company by writing a letter to the Company at its Registered Office address immediately. As on March 31, 2016, the amount outstanding in unclaimed dividend account for the Financial Year ended March 31, 2009 is Rs. 24,82,551.50. The Ministry of Corporate Affairs (MCA) on May 10, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends on the website of the IEPF viz. www.iepf.gov.in and under "Investors Section" on the website of the Company viz. www.niit-tech.com.

17. Members/Proxy(ies) are requested to bring their copy of the Annual Report at the meeting and to produce at the entrance, the admission slip, duly completed and signed, for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.
19. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Director for his reappointment.
20. Pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company shall provide an advance opportunity at least once in a Financial Year to the Members to register their E-mail address and changes therein either with Depository Participant or with the Company. In view of the same, the Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Notices of all General Meetings, Directors' Report, Auditors' Report, Audited Financial Statements and other documents through electronic mode, pursuant to the provisions of the Companies Act, 2013 read with the rules framed thereunder.
21. Members desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their queries in

writing to the Company Secretary at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting. Members may also note that the Notice and Annual Report for the Financial year 2015-16 will also be available on the Company's website www.niit-tech.com.

22. Electronic copy of the Notice of the 24th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the aforesaid documents are being sent by the permitted mode.
23. The Route map showing the directions to reach the venue is annexed to the Notice.

24. Voting through electronic means :

In compliance with provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company has provided a facility to its members to cast their votes on resolutions as set forth in the Notice convening the 24th Annual General Meeting to be held on August 01, 2016 at 09:00 A.M., electronically through the e-voting service provided by NSDL.

Resolution(s) passed by the Members through e-voting is/are deemed to have been passed as if they have been passed at the Annual General Meeting.

The e-voting facility will commence from **Thursday, July 28, 2016 at 9:00 A.M. and end on Sunday, July 31, 2016 at 5:00 P.M.** Further, e-voting shall not be allowed beyond the said period.

The facility for voting through polling paper shall also be made available at the Annual General Meeting and the Members attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. A person who is not a Member as on the cut-off date should treat this notice for information purposes only.

25. Instructions for Remote e-Voting:

NSDL shall be sending the User-ID and Password to those Members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company / Depository Participant(s).

- (i) Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your User-ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTICE

- (ii) Launch internet browser by typing the following URL:<https://www.evoting.nsdl.com/>
- (iii) Click on **“Shareholder – Login”**
- (iv) Put User-ID and password as initial password/PIN noted in step (i) above. Click on Login. If you are already registered with NSDL for e-voting, then you can use your existing User-ID & Password for casting your vote.
- (v) If you are logging on for the first time, Password change menu will appear on your screen. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) The Home page of Remote e-voting opens. Click on remote **e-voting>ActiveVoting Cycles**.
- (vii) Select **“EVEN”** (E-Voting Event Number) of “NIIT Technologies Limited”.
- (viii) Now you are ready for e-voting as **“Cast Vote”** page opens.
- (ix) Cast your vote by selecting appropriate option and click on **“Submit”** and also **“Confirm”** when prompted.
- (x) Upon confirmation, the message **“Vote cast successfully”** will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to officenns14@gmail.com with a copy marked to evoting@nsdl.co.in

Members are requested to note the following:

1. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and Remote e-voting user manual to the Members available at the download section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990. You can also update your mobile number and E-mail ID in the user profile details of the Folio which may be used for sending future communication(s).
2. The voting rights of the Members shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date of July 25, 2016.
3. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. July 25, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing User-ID and password for casting your vote. Upon 5 unsuccessful attempts to provide the correct password or if you forget your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800-222-990.
4. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their votes.
5. Mr. Nityanand Singh, Company Secretary (Membership No. FCS- 2668) of M/s Nityanand Singh & Co., Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and Remote e-voting process in a fair and transparent manner.
6. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only, shall be entitled to avail the facility of Remote e-voting as well as voting at the Annual General Meeting through ballot paper or electronic means. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of “Ballot Paper” for all those members who are present at the Annual General Meeting but have not cast their votes by availing the Remote e-voting facility.
7. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the Annual General Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
8. The Results declared alongwith the Report of the Scrutinizer shall be displayed on the Notice Board of the Company at its Registered Office and its Corporate office and the same shall also be placed on the website of the Company www.niit-tech.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange & Bombay Stock Exchange; the Stock Exchanges on which the Company’s Shares are listed.

**By the Order of the Board
For NIIT Technologies Limited
Sd/-**

Lalit Kumar Sharma

Place: Noida Company Secretary & Legal Counsel

Date : May 6, 2016 Membership No. FCS 6218

NIIT Technologies Limited

Regd. Office : 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019
Email: investors@niit-tech.com , Website: www.niit-tech.com
Ph. No. +91 11 41675000 Fax : +91 11 41407120
CIN:L65993DL1992PLC048753



NOTICE

Details of Director seeking re-appointment at the Annual General Meeting pursuant to Item No. 3 of the aforesaid Notice, as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 & Secretarial Standard on General Meetings is provided herein below:

Name	Mr. Vijay K Thadani
Date of Birth	February 15, 1951
Qualification	Bachelor of Technology, Electrical Engineering from Indian Institute of Technology, Delhi
Experience/Expertise in specific functional areas	Wide experience in Information Technology industry
Date of first appointment on the Board	12/12/2003
Number of shares held in the Company	1857 Equity Shares*
Relationship with other Directors inter-se	None
Directorships held in other Public Companies (excluding foreign companies and Section 8 Companies)	(i) NIIT Limited (ii) MindChampion Learning Systems Limited (iii) NIIT Institute of Process Excellence Limited (iv) NIIT Institute of Finance Banking and Insurance Training Limited (v) NIIT Yuva Jyoti Limited
Membership/Chairmanship of Committees of other Public Companies (includes only Audit and Stakeholders' Relationship Committee)	Audit Committee (i) NIIT Limited (Member) (ii) NIIT Yuva Jyoti Limited (Chairman) Stakeholders' Relationship Committee (i) NIIT Limited (Member)
Note: *Break-up of Equity shareholding: - 759 equity shares in the name of Vijay K Thadani – HUF - 100 equity shares in the name of Mr. Vijay K Thadani & Ms. RenukaThadani - 998 equity shares in the name of Ms. Renuka Vijay Thadani & Mr. Vijay K Thadani. For other details such as number of meetings of the Board attended during the year and remuneration drawn, please refer to the Corporate Governance Report.	

**By the Order of the Board
For NIIT Technologies Limited
Sd/-**

Lalit Kumar Sharma

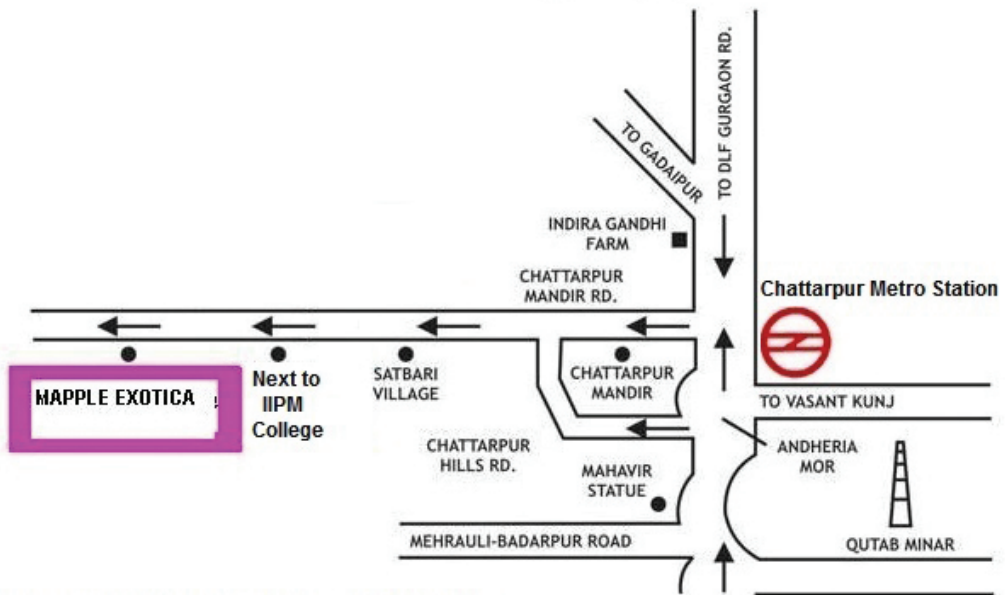
**Company Secretary & Legal Counsel
Membership No. FCS 6218**

Place : Noida

Date : May 6, 2016

Route Map of Annual General Meeting Venue

Location Map



Chattarpur Mandir to Mapple Exotica Around 4Km

Corporate Profile

COMPANY OVERVIEW

NIIT Technologies is a global IT solutions organization addressing the requirements of clients across the Americas, Europe, Asia, and Australia. Differentiated on its domain strength, NIIT Technologies services clients in travel and transportation, banking and financial services, insurance, manufacturing, and media verticals, offering a range of services including application development and maintenance, infrastructure management, and business process management. Focused on Digital Services, the Company is helping businesses design agile, scalable, and digital operating models.

NIIT Technologies has been assessed across leading global quality benchmarks and standards including the ISO 9001:2000, ISO 27001 (an Information Security Management accreditation), Level 5 of SEI CMMi version 1.2, COPC, PCMM level 5, and the international ISO 20000 (IT management standard).

FOCUS ON SELECT INDUSTRY SEGMENTS

Travel and Transportation: NIIT Technologies has built a strong presence through years of experience, deep focus, and expertise in the airlines, travel distribution, surface transport, and airports space. The Company has been working on technology solutions that innovatively and cost-effectively enhance business productivity in these industry segments. These solutions and services address the business challenges of customers, helping them minimize operational costs, maximize efficiency and deliver connected experiences to their customers. The Company has robust offerings including IP frameworks for the entire spectrum of travel industry-related services.

In addition, the company is actively involved with industry initiatives like StB, eCargo, Passenger Standards, SIS, and NDC.

Banking and Financial Services (BFS): NIIT Technologies' innovative technological solutions have been a catalyst in helping banking and financial enterprises sustain the dynamism of the global economy. Banking and capital markets being core BFS sub-verticals, the company is strategically focusing on spreading its global footprint leveraging its strong capability in wealth management, asset management, private banking and

investor services. The Company specializes in solutions centred on investment management, banking, credit and operational risk.

Apart from larger BFS institutions, NIIT Technologies also addresses the requirements of smaller community, cooperative and rural banks through its cloud-based, customized banking solutions. Additionally, for the vertical, NIIT Technologies has built integrated services capability that spans technology, digital, automation, infrastructure, operations, and product engineering.

Insurance: Insurance remains an important area of focus for the Company. NIIT Technologies provides solutions to Property & Casualty, Life & Annuities, and Reinsurance and Large Commercial segments. The Company has invested in developing new and progressive solutions that help transform IT for insurance enterprises. It has created IP platforms in the areas of analytics and financial reporting, policy administration (for commercial insurance players) and exposure management. Built on strong product practices and a proven global delivery model, NIIT Technologies helps insurance enterprises exploit technology effectively and efficiently, particularly with Digital Services designed to meet their emerging digital needs. Over the past two decades, NIIT Technologies has built deep and enduring relationships with global insurance players.

Manufacturing: NIIT Technologies has built skill sets in manufacturing and distribution, helping customers to implement automated, transparent, and integrated information management systems across their value chains. Available to customers are the company's Web-based e-procurement platform, supplier portal, enterprise mobility solutions, SAP and IP-led solutions for supply chain management and dealer management systems.

Media: NIIT Technologies provides media companies with comprehensive, industry-specific business and IT solutions consulting. The company delivers both front-and back-office solutions, enhancing competitiveness across the value chain of clients' operations. The solutions increase operational efficiency, variabilize costs, and increase revenue.

SERVICE OFFERINGS

Application Development and Management: NIIT Technologies brings in-depth experience in developing and managing enterprise systems of various Fortune 1000 companies and offers scalable, end-to-end custom solutions. The company has deep expertise in offering vertically structured managed support engagements; delivering tailor-made solutions; providing end-to-end testing services; and utilizing global, agile, continuous delivery and lean principles to deliver optimal solutions quickly that result in high operational efficiency and faster time-to-market. NIIT Technologies offers application development, application management services and value-added independent testing solutions.

Infrastructure Management Services (IMS): NIIT Technologies' Infrastructure Management Services simplify IT operational and investment challenges by delivering IT infrastructure and applications as completely administered services. The company provides a comprehensive portfolio of end-to-end infrastructure management services powered by the service vision of continuous delivery that map all aspects of IT infrastructure advisory, design, implementation and end-to-end business-driven IT SLAs. The Company implements a proprietary engagement model to create an optimized infrastructure that is agile and flexible, empowering enterprises to change-and-run with newer technologies while optimizing their IT infrastructure. NIIT Technologies deploys lean processes and automation to deliver an exceptional user experience. IMS service lines include Data Center as a Service, Workplace as a Service, Infrastructure Operations Management Services, DevOps and Automation Services, Landscape Management Services, and Cloud Services.

Business Process Services: NIIT Technologies' BPM business offers outsourcing solutions that combine domain expertise, process excellence and cutting-edge technologies. It enables clients to effectively and efficiently manage back-office, mid-office, and front-office operations to enable efficiency, quality, and productivity improvements. Within its verticals of choice, NIIT Technologies is targeting specific segments including reference data management, financial and accounting management, contract loading services and airline passenger revenue accounting. The company uses proprietary tools and frameworks to add value to our clients—industry-leading ProcessGymSM, Intelligent Automation Framework, TermsMonitorTM and K-Portal.

Testing Services: NIIT Technologies' Testing Services deliver high quality and efficient testing through proven strategies of business process-centric testing streams, a common testing phase across applications' services tracks, continuous integration and validation of production-ready scrum outputs across DevOps and agile programs, and business outcome analytics. NIIT Technologies' best-in-class quality assurance and testing services span the testing services value chain—core testing services, specialised testing services, automated

testing, and testing COE. The Company also has focused Centers of Competence (CoCs) for automation, non-functional testing, digital testing, and domain testing for key industry segments.

Systems Integration and Package Implementation: These solutions mainly revolve around SAP and other ERP platforms. ESRI India Technologies Ltd is a leading provider of end-to-end GIS solutions to customers. The Company provides software products, training, technical support, data conversion, and application development to varied industry sectors. It also includes complete geo-spatial image processing and consulting solutions.

IP Asset-based Solutions: NIIT Technologies combines in-depth business knowledge and technical expertise to offer IP-led solutions that enable customers to respond to the challenges of a dynamic and changeable economic environment. The IP-led solutions leverage time-tested solution accelerators already deployed across the Company's client base.

Digital Services: This stack enables businesses to strategize, build, and leverage new technologies and create market-ready solutions with revolutionary benefits. The Company has clearly articulated offerings that spread across the digital services value chain:

- **Digital Experience:** The Company delivers digital experience through e-commerce, user experience design, portals, social integration, multichannel offerings and mobility solutions.
- **Digital Analytics:** The Company provides industry-specific and cross industry digital analytics and data solutions. It comprises of two categories:
 - o Business Intelligence and Data Warehousing
 - o Predictive and Actionable Insights

The Company also offers an Operating Model—Digital Foresight—which is not just a technology platform but also a business operating model whereby NIIT Technologies shares the transactional risk and the benefits of advanced data analytics.

- **Digital Integration:** The company helps clients integrate complex legacy systems with digital front-ends, digitalize processes, and offers intelligent business process management services.

2015-16

The Year Gone By

During FY2016, NIIT Technologies made significant progress on its business priorities. This included improving its revenue mix (with greater contribution from international geographies), delivering growth in line with the industry, significantly expanding operating margins and strengthening its presence in the high opportunity Digital Services space. The overall edge in business came through the following 3 initiatives:

1. Smart IT i.e. delivering value to clients through automation and investments in platforms
2. Uplifting Service i.e. creating a culture to deliver a superior experience
3. Scale Digital i.e. sharp focus on increasing share of Digital revenues

Smart IT

During the year the Company enhanced its service offerings by forging partnerships and enhanced the level of automation resulting in strategic wins and accolades.

Ofcom's £23m contract

Your Company was selected as a strategic partner by Ofcom, the UK's communications regulator. NIIT Technologies will help Ofcom manage its infrastructure and application systems and offer a customer-focused service to improve the user experience of ICT services. The value of the contract is £23m over a six-year period that includes an initial term of 4 years and extensions. As strategic partner, NIIT Technologies is responsible for implementing a dedicated service delivery model and new service management processes and tools. Key services included the service desk, data center services, application management, and project management.

Flydubai engaged with NIIT Technologies to enhance customer experience

Dubai-based airline Flydubai engaged NIIT Technologies in a long-term strategic agreement to build airline-specific IT systems catering to all facets of its business. This engagement supports Flydubai's program to deliver enhanced passenger satisfaction. NIIT Technologies is delivering these services through its state-of-the-art Global Delivery Center at its campus in Greater Noida that included a dedicated Testing Center of Excellence for the airline. In addition, NIIT Technologies also provides

support on software development projects with data center services through its Infrastructure Management Services. The Company not only helped the carrier to prepare for next phase of growth but also enabled it to remain flexible and adapt to changes in travel patterns in the market.

New-gen insurance software goes live at Sampo Canopius

Your Company successfully implemented its next-generation policy and claims administration platform, Navigator, at Sampo Japan Canopius Reinsurance AG (SC Re), Sampo Canopius' reinsurance subsidiary. Navigator offers product management capabilities that allowed new products to be configured swiftly without any significant IT involvement. Its workflow feature enabled insurers to streamline or automate complex business rules. It supported the full lifecycle processing of a policy from submission, quote, and underwriting to policy administration, message processing, claims handling and reinsurance, while also offering seamless capabilities to consolidate multiple underwriting platforms onto a single platform.



Arvind Thakur, CEO and Joint MD, NIIT Technologies, receiving 'Best Service Provider' award from DB Systel team

Awarded Best Service Provider by ICT subsidiary of German Railways

NIIT Technologies secured the Best Service Provider Award by DB Systel, the ICT subsidiary of Deutsche Bahn (German Railways). Your Company won this award across the entire partner landscape of DB Systel including global system integrators, and local and offshore IT partners. The award was conferred on the basis of an annual customer satisfaction survey, regular assessments, and strict quality parameters. NIIT Technologies supported and developed DB Systel's complex and mission-critical applications, ensuring seamless operation of the German Railways. As a key partner of DB Systel, it developed differentiated digital solutions to help train drivers to access real-time, relevant information anytime, anywhere, and on-the-go.

Created Enterprise Automation Platform

Your Company created a robust automation platform for the enterprises and embraced Robotic Process Automation (RPA) to drive efficiencies for its clients. The

automation platform includes: Development Automation, Test Automation, Smart Maintenance, Infrastructure Automation, Intelligent Service Desk, Automated Monitoring & Performance Management, Intelligent Business Processes, Robotic Process Automation and Data Management. NIIT Technologies partnered with UiPath, a software Company specializing in RPA solutions for enhancing its capabilities in this domain. RPA is the application of technology (software robot) to interpret existing applications for processing a transaction, manipulating data, triggering responses, and communicating with other digital systems. Your Company has also developed proprietary framework, ProcessGymSM to identify automation opportunities.

Uplifting Service

A major culture change was put into motion with in the Company to address the changing expectations of customers. The initiative is aimed at uplifting service levels of the employees and involves several interconnected initiatives encompassing many aspects of the engagement known as ‘Building Blocks’ driven by an engaging service vision ‘New Ideas, More Value’.

Idea engine: Ignite



As a part of the culture change journey, every staff member of the Company is required to go through formal education on principals of service excellence.

Your Company has built an Ideation framework leading to continuous generation of new ideas. So far 4,786 ideas have been generated of which 1,086 have been implemented resulting superior value being delivered to customers.

Scale Digital

NIIT Technologies has sharpened its focus on the new emerging opportunity around Digital Technologies. According to a Nasscom-Mckinsey study released during the year 80% of the incremental spend over the next 5 years is expected to be in Digital. Digital Services focus on delivering a great experience to our customer’s customer. In this respect the Company has focus on 4 prime areas of service:

- 1. Digital Experience
- 2. Analytics
- 3. Cloud
- 4. Digital Integration

15% of the revenues during the year were derived though Digital Services

Delivering Emotionally Empathetic Experiences (E3)

NIIT Technologies is delivering experiences that touch deeply held emotional needs, and are described as Digital Emotionally Empathetic Experiences (Digital E3). Your Company has identified the deep-seated needs of customers, employees, and business partners in its core target industries and is focused on developing rigorous points of view and strategies for its clients to pursue them. The Company is focusing on delivering laser-focused, industry-specific experiences across traditional websites, mobile apps, emerging social media, messaging, devices, wearables, the Internet of Things, or the upcoming revolution of virtual reality/augmented reality and Intelligent Business combining Digital and Artificial Intelligence.

Delivering predictive analytics through Digital Foresight®

Digital Foresight, is a proprietary NIIT Technologies’ approach, platform, and framework, which integrates internal company data, external public data from commercial sources, social media, and advanced predictive analytics capabilities to deliver the business outcomes. Your Company teams are engaged with its clients in the Financial Services sector to provide insights into their customer base.



Strategic investment in Incessant for leadership in ‘Digital Integration’

In May 2015 year your Company forayed into Digital Integration by acquiring a 51 percent stake in Incessant Technologies, a leader in Digital Integration and agile delivery of Enterprise BPM solutions. Through the year this service has expanded rapidly bringing into the fold many new clients.



Incessant team at PegaWorld 2016, Pega’s annual user conference

Moves SCCC onto the cloud

NIIT Technologies has partnered with Siam City Cement Public Company Limited (SCCC), a leading cement manufacturer in Thailand for its INSEE Smart Program which aims to create a future ready digital organization. Your Company implemented a future-proof IT estate using Hybrid cloud along with a software-defined data center.

NIIT Technologies named 'Leader' in Digital Transformation Services by NelsonHall's NEAT

NIIT Technologies was identified as a Leader in NelsonHall's NEAT vendor evaluation for Digital Transformation Services (Digital Focus market segment). NEAT analyzed the performance of 17 vendors offering digital transformational services across the globe. It defined Digital Transformation Services (DTS) as IT services around e-commerce, websites and mobile apps, cloud computing, analytics and IoT. NEAT evaluations were based on a combination of interviews with the vendors and their clients. The vendors were scored against a wide range of criteria, establishing a number of scenarios, each representing a different business situation or client business need. The NEAT tool allowed strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall, and in areas such as IT Operations Focus, Digital Focus, and Cost- Conscious Focus

Digital Innovation Center in Hyderabad

Your company launched a Digital Innovation Center (DIC) in Hyderabad powered by Incessant Technologies. DIC spread across 55,000 sq ft in Q city, Gachibowli, the most vibrant IT corridor in Hyderabad, provides a global platform for research and technological development to tap new market opportunities for digital integration. The center serves as a hub for innovative thinking with state-of-the-art IT infrastructure, IoT labs, digitally-enabled training rooms, and world-class video conferencing facilities to operate seamlessly in today's connected world.



NIIT Technologies and Incessant leadership team with Shri K.T Rama Rao, IT Minister, Telangana and his team

Appointments

Appointed Graham Clark as Head of Digital Services

In his new role, Graham, based out of the US, spearheads the Company's Digital Services division and is responsible for the Company's growth in the digital space globally. Graham has extensive, multi-faceted experience and expertise in Digital.



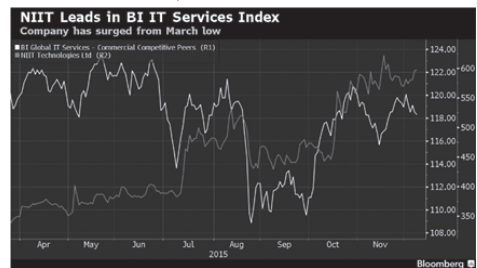
Appointed Amit Kumar Garg as Chief Financial Officer

During the year, Amit Garg was appointed as CFO of NIIT Technologies to lead the global finance function. Amit Garg has expertise in Corporate Finance, Corporate Restructuring, Cash Management, Compliance, and Controllershship, as well as in driving value creation through operations optimization and managing strategic initiatives. Amit brings over 20 years of extensive experience having worked as Director-Finance in Fidelity International and American Express Financial Center in India. Prior to taking up the appointment, he was Regional Finance Director and CFO at Intertek India. Amit is a Chartered Accountant and holds an MBA degree from MIT Sloan School of Management, Cambridge.



Rewards & Recognitions

- Recognized as top performing IT stock on Bloomberg Intelligence's Global IT Services Commercial Competitive Peers index.



- Felicitated with the prestigious "International Outsourcing Contract of the Year" award by the National Outsourcing Association (NOA) for partnership with Morris Communications.
- Conferred the Best HR Technology Leader award by BusinessWorld HR Excellence.
- Listed in '50 Best IT-BPM Company to Work For in 2015' by Great Place To Work® Institute; and listed in the 'Top 5 large organizations' in the IT-BPM domain.



Arvind Thakur, CEO & Joint MD, NIIT Technologies receiving award from R Chandrashekhar, President NASSCOM

- ESRI India received the Technoviti Award for Enterprise GIS platform for BFSI.



Esri India Technologies Ltd. team receiving the award at Technoviti 2016

- Conferred with ASSOCHAM e-gov award.



NIIT Technologies team receiving the award from Narayan Bandekar, President, Goa Chamber of Commerce

- Won HRO Today Services and Technology Award 2016 for 'Excellence in Business Partnership' in the US.



NIIT Technologies' US HR team with the HRO Today Services and Technology award

- Conferred with the 'RB Investor Communication' award in the 'Technology – Emerging Corporates' category.



Abhinandan Singh, Head – Investor Relations and Amit Garg, CFO, NIIT Technologies receiving the RB Investor Communication Award 2015 from Mr. Ashishkumar Chauhan, MD & CEO, Bombay Stock Exchange (BSE)

- Recognized as a Leader by International Association of Outsourcing Professionals in the 2015 list of The Global Outsourcing 100® and The World's Best Outsourcing Advisors in the Leader size category.
- NIIT Technologies BPO won two awards at National Awards for Excellence in Outsourcing & BPO 2015



Analyst Recognition

- Your Company was ranked #5 for customer satisfaction in the UK in the annual research conducted by Whitelane Research and PA Consulting Group in 2015. In terms of overall satisfaction with outsourcing providers and their services, NIIT Technologies shared 5th spot with HP, Infosys, SCC, Atos and Capgemini, amongst the top 26 providers. With regard to satisfaction in application development, maintenance and testing domain, NIIT Technologies shared 3rd spot with HP and Infosys. This year's edition took under scrutiny more than 800 unique IT outsourcing contracts held by approximately 260 of the top IT spending organizations in the UK.
- NIIT Technologies positioned amongst select vendors in 2015 Enterprise Mobility Services Blueprint Report by Horses for Sources (HfS).

Board's Report

To,

The Members,

Your Directors are pleased to present the Twenty Fourth Annual Report on the business and operations of your Company alongwith the Audited Annual Accounts for the Financial Year ended March 31, 2016 (FY2016).

FINANCIAL PERFORMANCE OF THE COMPANY

The highlights of the financial results for the Financial Year 2015-16 are as follows:

(Figures in Rs.mn except for EPS)

Particulars	FY 2015-16	FY 2014-15
Consolidated Revenues	26,824	23,725
Standalone financials		
Income from operations	14,678	13,461
Other Income	411	224
Total Income	15,089	13,685
Profit before depreciation and taxes	3,073	2,479
Depreciation	828	665
Exceptional Item	6	135
Provision for tax & (deferred tax)	299	203
Profit After Tax	1,940	1,476
Earning Per Share (Basic) (In Rs.)	31.75	24.25

Brief description of the Company's working during the year and state of Company's affair

During the Financial Year under review, the Company continued to engage with its customers around the world as a value-adding partner, bringing new ideas and more value into various aspects of their business. At the same time, it also acquired new customer relationships, won multiple new deals and expanded its offerings portfolio.

Revenues during FY2016 increased 13% on a consolidated basis, to Rs. 26,824 million from Rs. 23,725 million in FY2015. This growth was driven by the Company's higher international business and enhanced presence in Digital services, aided by its acquisition of a majority (51%) stake in Incessant Technologies Pvt. Ltd. in May 2015. Revenues from the export markets grew 17.2% during FY2016, while Digital Services now contributes 15% of consolidated revenues. As a result, operating profits (EBITDA) for the year increased significantly, rising 37% to Rs 4,733 million from Rs 3,457 million in the preceding Financial Year. EBITDA margin for FY2016 stood at 17.6%, representing a substantial expansion compared

to 14.6% in FY2015. Higher revenues and robust margin expansion resulted in a strong net earnings growth for the year under review, with a consolidated Profit after Tax (PAT) of Rs 2,800 million for FY2016, up 146% from Rs 1,141 million in the preceding Financial Year.

Cash flows for the Company improved during the course of the year under review, with better collections as reflected in lower receivable days at 80 at the end of the year (compared to 93 days a year ago) and higher cash & bank balances at Rs 4,241 million as on March 31, 2016 (compared to Rs 3,375 million on March 31, 2015) on a consolidated basis.

Operating highlights

The Company recorded several significant operating accomplishments during the year, with multiple new engagements, large deal closures, and the launch of new initiatives aimed at capitalizing on emerging opportunities in the marketplace.

In terms of customer acquisition, the Company added 28 new clients in FY2016, higher than 19 added in FY2015 and 16 added in FY2014. The Company was also able to win some large deals, including one with the UK Regulatory Body Ofcom. The value of the contract with Ofcom is £23 million over a six-year period which includes an initial term of 4 years and extensions. Through this engagement, NIIT Technologies will help Ofcom manage its infrastructure and application systems and offer customer-focused service to improve users' experience of ICT services. The Company's ability to continually win deals in an increasingly competitive environment reflects its capabilities as well as the benefits of a reinforced front-end team created over the past couple of years. On the back of these customer acquisitions and deal wins, the Company was able to secure fresh orders worth \$420 million during FY2016, of which 93% came from international markets. The order book executable over the next 12 months as on March 31, 2016 stood at \$301 million.

During the year, the Company continued to make ongoing enhancements to its existing capabilities through investments in new emerging technologies, partnerships, and appropriate skills to deliver exceptional customer value and operational excellence.

It completed some key flagship digital experience projects for several clients and secured multiple new Digital engagements. In addition to that, it expanded the capability of its advanced analytics platform Digital Foresight®.

The Company also made a strong foray into Automation and Robotics, launching intelligent automation for business operations, aimed at driving greater business benefits for its clients globally. Towards this end, the Company has partnered with UiPath, a Software Company that specializes in Robotic Process Automation (RPA).

The **Management's Discussion & Analysis (MD&A)** of the Company's global business during FY2016 and outlook, along with a discussion of internal controls & risk management and mitigation practices, appears

separately in this Annual Report. Reports on Corporate Governance and Corporate Social Responsibility (CSR) too are provided in this Annual Report.

Dividend

The Board has recommended a dividend of Rs. 10/- per equity share of face value Rs.10/- each (previous year Rs. 9.50 per equity share) amounting to Rs. 714 million (inclusive of tax of Rs. 103 million) subject to approval of the shareholders at the ensuing Annual General Meeting.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the company to which the financial statements relate and the date of the Report & change in nature of business, if any

There has been no material change in the nature of business of the Company during the year and subsequent to the close of the Financial Year to which the Balance Sheet and Financial Statements relate and the date of the Report, like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

COMPANIES ACT DISCLOSURES & CORPORATE GOVERNANCE

Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return is enclosed in **(Annexure A)**.

Number of meetings of the Board

The Board of Directors of the Company met 6 (six) times in the FY2015-16. The details pertaining to the Board Meetings and attendance are provided in the Corporate Governance Report. The intervening gap between two Board Meetings was within the period prescribed under Companies Act, 2013.

Directors Responsibility Statement

As required under Section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:-

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- the Company had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit & Loss of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Annual Accounts are prepared on a going concern basis;
- the internal financial controls are laid to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Directors and Key Managerial Personnel

a. Retirement by rotation of Mr. Vijay K Thadani (DIN 00042527), Director

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Vijay K Thadani, Director (DIN 00042527) will retire by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment. The Board recommends his re-appointment at the ensuing Annual General Meeting of the Company.

b. Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Amit Sharma, Mr. Surendra Singh and Mr. Ashwani Puri were appointed as Independent Directors till March 31, 2019 at the Annual General Meeting of the Company held on July 07, 2014. Further, Ms. Holly Jane Morris was appointed as woman Independent Director till March 31, 2017 at the Annual General Meeting of the Company held on August 03, 2015.

Statement on declaration by the Independent Directors

All the Independent Directors have given declarations that they meet all the requirements specified under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for holding the position of Independent Director in the Company.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Familiarization program of Independent Directors

The details of the Familiarization program of Independent Directors are available on the website of the Company <http://www.niit-tech.com/investors/Familiarization-Programme-Independent-Directors.pdf>. Further, at the time of appointment of an Independent Director the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities.

c. Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company has the following

Directors/employees as Whole-time Key Managerial Personnel as on March 31, 2016:

- a) Mr. Rajendra S Pawar (DIN 00042516) – Chairman & Managing Director
- b) Mr. Arvind Thakur (DIN 00042534) - Chief Executive Officer & Jt. Managing Director
- c) Mr. Amit Kumar Garg - Chief Financial Officer
- d) Mr. Lalit Kumar Sharma - Company Secretary & Legal Counsel

Changes during the year:

- Ms. Pratibha Advani relinquished from the position of Chief Financial Officer w.e.f. May 07, 2015 and Mr. Amit Roy took over as Chief Financial Officer of the Company from May 08, 2015 till December 13, 2015. Thereafter, Mr. Amit Kumar Garg was appointed as the Chief Financial Officer w.e.f. December 14, 2015.
- Ms. Monika Arora resigned from the office of Company Secretary w.e.f the close of business hours on May 31, 2015 and subsequently Mr. Lalit Kumar Sharma was appointed as Company Secretary & Legal Counsel w.e.f June 01, 2015.

Deposits from Public

The Company has not accepted any Deposits under Chapter V of the Companies Act, 2013 during the year and hence no amount of principal or interest was outstanding on the date of the Balance Sheet.

Share Capital

a) Issue of equity shares with differential rights or sweat equity shares

During the year, the Company did not issue any equity shares with differential rights/sweat equity shares under Companies (Share Capital and Debentures) Rules, 2014.

b) Issue of Employee Stock Options

During the year, the Company issued 1,41,625 Equity shares on the exercise of stock options under the Employee Stock Option Scheme of the Company (ESOP 2005). Due to this, the outstanding issued, subscribed and Paid-up Equity Capital increased from Rs. 610,448,990 to Rs. 611,865,240 as at March 31, 2016 pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014. The grantwise details of the Employee Stock Option Scheme is partially provided in the Notes to Accounts of the Financial Statement in Annual Report and a comprehensive note on the same forms part of the Board Report, which is available on the website of the Company and the URL for the same is <http://www.niitech.com/investors/otherdisclosures> or may be obtained from the Company and is open for inspection at the Registered Office of the Company.

c) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

In terms of Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, the Company is not exercising the voting rights directly by the employees in respect of shares to which the scheme relates.

Audit Committee:

The Audit Committee of the Company is constituted as per Section 177 of the Companies Act, 2013 & Regulation 18 of the SEBI Listing Regulations, 2015, consisting of majority of Independent Directors.

The composition of the Audit Committee and details of the Meetings and attendance during the FY2015-16 are as under:

Name of the Committee member	Category	Designation	Number of meetings during the Financial Year 2015-16		Dates of meetings held during the year
			Held	Attended	
Mr. Ashwani Puri	Independent Director	Chairman	6	6	April 15, 2015 May 04, 2015
Mr. Surendra Singh	Independent Director	Member	6	6	July 13, 2015 October 15, 2015
Mr. Vijay K Thadani	Non-Executive Promoter Director	Member	6	6	January 14, 2016
Mr. Amit Sharma	Independent Director	Member	6	6	March 21, 2016

Mr. Ashwani Puri is the Chairman of the Committee and Mr. Lalit Kumar Sharma acts as Secretary to the Committee. The Board had accepted all the recommendations of the Audit Committee made during the year. The details pertaining to the no. of meetings of the Committee held during the year and terms of reference, functioning and scope are given in the Corporate Governance Report in detail in terms of the requirements under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Committee

The Company has a duly constituted 'Nomination & Remuneration Committee' under the provisions of Section 178 of the Companies Act, 2013 and the terms of reference are disclosed under the Corporate Governance Report of the Company in terms of the requirements under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The composition of the Nomination and Remuneration Committee and details of the Meetings and attendance during the FY2015-16 are as under:

Name of the Committee member	Category	No. of meetings during the Financial Year		Dates of meetings held during the year
		Held	Attended	
Mr. Amit Sharma	Non-Executive Independent Director	5	5	May 05, 2015 May 25, 2015 July 13, 2015
Mr. Surendra Singh	Non-Executive Independent Director	5	4	October 15, 2015 January 14, 2016
Mr. Vijay K Thadani	Non-Executive Promoter Director	5	5	

The Chairperson of the Committee is Mr. Amit Sharma, who is an Independent Director of the Company.

Corporate Social Responsibility (CSR)

In terms of provisions of section 135 of the Companies Act, 2013 & Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 read with various clarifications issued by Ministry of Corporate Affairs, the Company has a CSR Committee which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Companies Act, 2013, recommending the amount of expenditure to be incurred and monitoring the expenditure and activities undertaken under the CSR Policy of the Company. The Committee comprises of the following members:

1. Mr. Surendra Singh (Chairman)
2. Mr. Arvind Thakur
3. Mr. Amit Sharma
4. Mr. Ashwani Puri

The Company has undertaken activities as per the CSR Policy (available Company's website www.niit-tech.com) and the details are contained in the Annual Report on CSR Activities given in **Annexure-B** forming part of this Report.

The Company's approach is to spend on activities for the welfare of society under Corporate Social Responsibility activities ensuring that the total spend in each financial year would be above the level prescribed under the Companies Act, 2013.

As part of its CSR initiatives, the Company continued its CSR drive around Education, Employability and Infrastructure support.

In our sustained efforts, to take our CSR initiatives forward, we continued with the Scholarship program for deserving students in NIIT University. NIIT Institute of Information Technology "TNI", a society registered under the Societies Act, 1860, (Central Act No 21 of 1860) in the office of Registrar of Societies, Government of NCT of Delhi, has set up NIIT University "NU" as a private University at Neemrana, Dist. Alwar, Rajasthan.

The organization has continued to support the local schools with regards to Infrastructure support in line with previous years including teaching assistance.

The organization has also set-up a Career Development Centre managed and run by the "NIIT Foundation". The Center will focus on providing courses under the following categories:

- Certificate Course in IT for Beginner (CCIB)
- Certificate Course in Social Networking (CCSN)
- National Digital Literacy Mission (NDLM)
- Other Career/Employability Courses

Furthermore, the organization supported the Noida Deaf Society by sponsoring two employability courses for Deaf and Mute adolescents at their Noida Center.

The organization and staff also provided monetary contribution by donating towards rehabilitation of

damage caused by Chennai floods. This contribution is being used to support Little Drops Home for destitute elders and mentally challenged girls.

Compliance with the Code of Conduct & Prevention of Insider Trading

The Company has "NIIT Technologies Limited – Code of Conduct" (Code). The Code is available on the website of the Company (URL is - <http://www.niitech.com/investors>). The Chief Executive Officer of the Company has given a declaration that the Directors and Senior Management of the Company have given an annual affirmation of compliance with the Code of Conduct during the year 2015-16.

Further, the Company has formulated and adopted a Policy in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Policy lays down the guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company alongwith consequences for violation. The policy is formulated to regulate, monitor and ensure reporting of deals by employees and maintain highest level of ethical standards while dealing in the Company's securities. The Company has also adopted the Code of Fair Disclosure, which is placed on the website of the Company.

Performance Evaluation of the Board

In terms of the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the evaluation of its own performance, the Directors individually including the Chairman of the Board and that of its Committees. The evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated.

The evaluation was done based on one-to-one interactions and after seeking inputs from all the Directors, which covered various aspects of Board's functioning and its Committees, Board Effectiveness, Key Stakeholders connect, Ethics and Compliances, Evaluation of Company's Performance, Project Management and Internal Control and Audits.

The performance of the Committees was evaluated by the Board after seeking inputs from the respective Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The Independent Directors also reviewed the performance of the Board and Non-Independent Directors in their separate meeting, alongwith the performance of Chairman taking into account the views of Executive Directors and Non-Executive Directors and effectiveness of timely availability of information to the Board.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

Managerial Remuneration & Particulars of Employees

The information required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure-C**. Further, the managerial remuneration is also provided in the Corporate Governance Report.

The information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is applicable and forms part of the Report.

However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company and the said annexure is also open for inspection at the Registered Office of the Company.

Remuneration Policy

Pursuant to the provisions Section 178(3) of the Companies Act, 2013, the Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Vigil mechanism/Whistle Blower Policy

In view of the requirement as stipulated by Section 177 of the Companies Act, 2013 and Corporate Governance under SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, the Company has complied with all the provisions of the Section and has adopted a Whistle Blower Policy duly approved by the Audit Committee to report concerns about unethical behaviour, actual & suspected frauds, or violation of Company's Code of Conduct and Ethics. The policy is uploaded on the website of the Company and the URL for the same is www.niit-tech.com/investors/whistleblowerpolicy.pdf. The same provides for adequate safeguards against victimisation of director(s)/employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee.

Policy for Determining Material Subsidiaries

The policy for determining the material subsidiaries of the Company is also available on the Website of the Company and the URL is :www.niit-tech.com/investors/Policy-Material-Subsidiaries.pdf.

Risk Management Policy

The Company has developed and implemented a risk management framework for identification of elements of risk, which in the opinion of the Board may threaten the existence of the Company.

Other Policies

The SEBI, Listing Obligations & Disclosure Requirements, Regulations 2015, mandated the formulation of certain policies for all listed companies. In addition to the current policies, the company has adopted Policy for determination of material/price sensitive information and Archival Policy pursuant to these Regulations.

Listing Agreement

The Securities & Exchange Board of India (SEBI), on September 02, 2015, issued Listing Obligations & Disclosure Requirements, Regulations 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said Regulations were effective from December 01, 2015. Accordingly, the Company again entered into the Listing Agreement with BSE Limited and National Stock Exchange of India Limited.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of energy and environment-friendly initiatives

Consistent with and inspired by its corporate vision, values, and mission, NIIT Technologies aims to grow its business profitably while minimising the impact of its business operations on the environment. The Company has been proactively adopting and initiating multiple environment-friendly measures aimed at conservation of resources including energy and water, recycling or efficient disposal of waste, as well as leveraging the use of renewable resources where possible.

As a global leader in Consulting, Technology, and Outsourcing Services the Company is committed to environmental sustainability. While creating new infrastructure, it emphasises not only on creating world class and cost effective infrastructure but also on energy efficiency, renewable energy sources, sustainable construction materials, water conservations, and waste management.

At its largest facility, spread over 25 acres, in Greater Noida, eco-efficiency and environment-friendliness is weaved intricately into all aspects of operations. Being a relatively new SEZ facility, environmental sustainability has been a key objective underpinning its design and function, right from the blueprint stage to its becoming operational. Over the years, state-of-the-art technologies,

systems, and processes aimed at ensuring minimal environmental impact and adoption of best-in-class practices have enabled the Company to register significant improvements in its ability to reduce energy consumption, increase recycling of water, and facilitate effective waste management.

The Company recognizes energy as a precious resource and continuously explores and implements ways to reduce its consumption of energy. As part of these efforts, the Company keeps assessing the demand-side to bolster its energy efficiency while also investing in new technologies that either make its infrastructure more energy efficient or allow it to replace conventional energy sources with renewable ones wherever possible.

At its Greater Noida campus, NIIT Technologies has been able to mark multiple accomplishments on the environmental front, including:-

- Reduction of lighting energy requirement by as much as 35%
- Reduction in cooling and heating energy consumption by 25%
- Significant increase in the recycling of water while also using technologies to minimize its consumption e.g. usage of SBR based STP Plants.
- better waste management for both organic and e-waste, with substantial progress already made:
 - (i) organic waste is being converted into compost for use in its grounds' green areas and gardens;
 - (ii) e-waste gets collected and formally handed over to registered and certified disposal vendor through an auction process.
- efficient transport practices, including increased usage of maximum CNG-based vehicles.

These have been made possible by investments and initiatives towards energy efficient Chillers, VFDs, VAVs, High Energy Efficient Glass on external façade of buildings, wall & ceiling insulation, LED lights, Solar Energy for internal & external lighting as well as for hot water generation, and recycling of waste water, along with a host of additional new technologies like the use of decomposers for waste management.

The Company strives to recover, reuse, or recycle its workplace tools such as copiers, computers and paper. The policy for asset sale, donation, and disposal outlines what employees should do with technology assets that are not being fully utilized or have reached their end of useful life.

During FY 2016, the Company set up a 50 KW Capacity Solar PV Power Plant at its IT/ITES SEZ campus in Greater Noida. This plant has been successfully commissioned and synchronized with the grid and has so far generated 47,000 KWh within a span of 9 months.

All these efforts, investments, and achievements of NIIT Technologies on the environmental front have gained recognitions, with an important one being "Leadership in

Energy and Environmental Design" (LEED) certification for its Greater Noida campus:

- The Company's Software Development First Block (SDB) at the Greater Noida campus has been awarded the highest possible 'PLATINUM' Green Building rating by the Indian Green Building Council (IGBC) under LEED® India Core & Shell system.
- In an evaluation of energy performance of the building using a computer simulation model, overall savings were found to sustain at the rate of about 21% savings over the LEED® mandated ASHRAE 90.1-2004 baseline.
- The Company also has an ongoing initiative for LEED certification in the area of Operation & Maintenance for its Phase-1 building, which is currently being monitored by consultants from the US Green Building Council (USGBC) for likely certification in the new financial year, based on data verification & evaluation.
- The second phase of construction at the campus, which entails a separate software development block, is also registered for LEED certification separately.
- ISO 14001 and OHSAS 18001 Certification is another initiative as part of overall sustainability program.

As an IT solutions provider with an established presence in areas like Managed Services, Infrastructure Management Services, and Cloud-based services, the Company operates data centres that consume energy resources in fairly large quantities. With a view to reduce power consumption at its data centres, the Company had initiated the consolidation of its data centres which was completed in the preceding financial year. This has yielded encouraging results, improving PUE (power utilization effectiveness), which is the unit of measurement for data centre efficiency, by 25%-30%. In addition to supporting energy efficiency, this initiative also generated operating benefits, offering both high availability as well as concurrent maintainability of infrastructure.

Technology absorption and R&D (Research & Development)

NIIT Technologies strives to be a leader in the early adoption of new, pathbreaking and disruptive technologies that strengthen its ability to maintain its leadership position across its industry verticals of focus. Towards that end, it continually evaluates and embraces new technologies and business models, and makes investments in developing or acquiring intellectual property (IP) in addition to upgrading its existing IP assets.

In line with its track record of keeping pace with the emergence of new services or technologies with disruptive potential, the Company made a foray into Digital Services and reinforced its offerings portfolio in that area by making a strategic investment in Incessant

Technologies during the financial year under review. As a result, NIIT Technologies is now able to offer solutions in digital experience, digital integration, and digital analytics. Recently, the Company also launched its Digital Innovation Centre (DIC) in Hyderabad, which will provide a global platform for research and technological development to tap new market opportunities for Digital Integration. Equipped with state of the art IT infrastructure and Internet of Things (IOT) labs, this DIC will serve as a hub for innovative thinking and will play a key role in the Company's success, going forward, as a dominant digital services player in its chosen areas of focus.

Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as under:

(Rs. Million)

Particulars	Year 2015-16	Year 2014-15
Foreign Exchange Earnings	12,724	10,852
Foreign Exchange Outflow	5,133	4,585

Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

During the year, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company is having a strong internal control system for all the processes to ensure the reliability of the financial reporting and timely feedback on achievement of operational objectives.

The Company monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliances with operating systems, accounting procedures and policies of the Company. Based on the report of Internal Audit Function, process owners undertake corrective action in their respective areas and thereby strengthen controls. All significant audit observations and corrective actions thereon are presented to the Audit Committee for its review and suggestions.

Details of Subsidiary/Joint Ventures/Associate Companies

As on March 31, 2016, the Company has subsidiaries in the United States of America, Japan, United Kingdom, Netherlands, Belgium, Germany, Switzerland, India, Singapore, Thailand, Australia, Canada, Dubai, Spain, Philippines & Brazil.

Details about the companies which have become subsidiaries during the Financial Year

Acquisition of 51% stake in Incessant Technologies Pvt. Ltd.-Strategic investment in Digital Integration:

During the year, the Company made its foray into the high opportunity area of Digital Integration by acquiring 51% stake in Incessant Technologies Pvt. Ltd., a global BPM specialist sharply focused on enabling its clients to automate and integrate back end systems with a digital front end. Incessant Technologies Pvt. Ltd. has over 300 consultants who are certified practitioners, strong relationships with more than 20 clients, and strong alliance partnerships with leading platform providers like Pegasystems and Appian. This acquisition provides the Company with the capability to be a significant player in the Digital Integration space with Digitization and Automation of business processes for seamless customer experience, and also enables the Company to reinforce its position in the BSFI vertical across geographies including North America, Europe, and Australia.

Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

During the year, the Board of Directors reviewed the affairs of the subsidiaries.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing a report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is included in the consolidated financial statement and the same has been annexed to this Report as AOC-1 given in **Annexure D**.

Also, pursuant to provisions of Section 136 of the Companies Act, 2013, the audited Financial Statements of the Company, consolidated Financial Statements alongwith relevant documents are available on the website of the Company. The Financial Statements are also open for inspection at the Registered Office of the Company.

Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013

The particulars of Loans, Guarantees & Investments under section 186 of the Companies Act 2013, have been disclosed under the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

All the Related Party Transactions are entered on arm's length basis and in ordinary course of business. All the transactions are in compliance with the applicable provisions of the relevant Acts and the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015. There are no related party transactions entered by the Company which may have potential conflict with the interest of the Company at large. The Related Party Transaction Policy deals with the review and approval of related party transactions. The Board of Directors

of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions as approved by the Board. The same is uploaded on the website of the Company and the URL of same is: www.niit-tech.com/investors/policysummarized.pdf

A Statement of all related party transactions is presented before the Audit Committee on a quarterly basis and prior/ omnibus approval is also obtained for the entire year, specifying the nature, value and terms and conditions of the transactions. The details of Related Party transactions which are material in nature are disclosed in Form No. AOC-2 as given in **Annexure – E**.

Management Discussion and Analysis Report

In terms of Regulation 34(e) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, the Management's Discussion and Analysis Report is set out in this Annual Report.

Corporate Governance

In terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditor's in terms of Part E of Schedule V of the said Regulations of the Company forms integral part of Corporate Governance Report.

AUDITORS & AUDITORS' REPORT/CERTIFICATE

a. Statutory Audit:

The members of the Company at the Annual General Meeting held on July 7, 2014 had appointed M/s PriceWaterhouse, Chartered Accountants (FRN 301112E), as Statutory Auditor under the provisions of section 139 of the Companies Act, 2013 for a period of 3 years, subject to ratification of their appointment at every Annual General Meeting. Accordingly, the appointment of M/s Price Waterhouse is placed for ratification by the Shareholders. The Report given by the Statutory Auditors forms integral part of the Annual Report.

The Auditors Report to the Shareholders does not contain any qualification, reservation or adverse remarks.

b. Secretarial Audit:

During the year, the Board of Directors of the Company had appointed Mr. Ranjeet Pandey (Membership No. 5922) of M/s Ranjeet Pandey & Associates, Company Secretaries (CP No.-6087), in Whole-time Practice, to carryout Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the Rules framed thereunder, for the Financial Year 2015-16. The Report given by Secretarial Auditors is annexed to this Report as **Annexure F**. The Report does not contain any qualification, reservation or adverse remarks.

c. Auditor's Certificate on Corporate Governance:

A required by SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on Corporate Governance is provided under the Corporate Governance Report. The Auditors Report to the Shareholders does not contain any qualification, reservation or adverse remarks.

HUMAN RESOURCE INITIATIVES

The Company is always committed to providing best-in-class working environment and empowerment for its employees to excel professionally and to pursue personal aspirations.

In our continuous endeavour to fine-tune our processes to the changing expectations of our employees and business, this year we completely reengineered our Performance Management System, Performance Planning Development Process (PPDP). The New PPDP is significantly simpler and focused towards rewarding employees who believe in high-performance. A Digital Diary app has also been launched for NIITians to enable more effective and efficient two-way communication between the employees and their supervisors.

Our culture change journey continues to be driven by the service vision, "New Ideas, More Value". A total of 10,000 NIITians have undergone the 'Uplift Your Service' Training.

The positive impact of this cultural change has been felt by customers and NIITians. Overall Employee Engagement Survey scores, already above industry average, improved by 3 percentage points over the previous year.

To enable our women staff members strike a balance between Work and Family life, we announced new initiatives to support them and enable them to take charge of their careers. We launched onsite Crèche at our Greater Noida Campus, rolled out Extended Maternity Benefits, two additional months of Leave Without Pay (LWP) and Work From Home (WFH) policy.

SEED (School for Employee Education and Development) recorded 8,31,773 hours of learning by employees. A new program was launched to build Digital Capability. More than 8,000 NIITians went through the 'Think Digital' Orientation module. A 11 Day boot camp was designed to upskill technical workforce with new technologies required for digital business. Training initiatives were focused on improving quality of deliverables and improving project management skills.

During the year we also received various awards and external recognitions including Great Place to Work (GPTW) amongst Top 50 Best IT-BPM companies, listed among top 5 large Best companies to work in GPTW, conferred with HR technology Leader by Business World HR Excellence, won "Talent Management Award" at Knowledge Management Leadership Awards by Asia Pacific HRM Congress and the National Award for Excellence in BPO and Outsourcing 2015 by Asia Outsourcing Conference.

All the initiatives undertaken were widely appreciated within the organization and have helped us better engage with NIITians, allowing us to maintain lower attrition levels.

Prevention/Prohibition of Sexual Harassment of women at workplace:

The Company has a policy on Prohibition/Prevention of Sexual Harassment of Women at workplace and matters connected therewith or incidental covering thereto all the aspects as contained in "The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company believes in providing a congenial atmosphere to work for all employees which is free from discrimination and harassment without regard to caste, religion, marital status and gender. During the year, the Company conducted various awareness programmes and workshops at all locations. During the year, the Company received three complaints pertaining to this which were duly resolved.

Awards and recognitions:

The Company bagged the following awards and recognitions during the FY 2015-16:

- Identified as a "Leader" in Nelson Hall's NEAT vendor evaluation for Digital Transformation Services (Digital Focus market segment)
- Positioned amongst top vendors under the Innovation category in 2015 Enterprise Mobility Services Blueprint Report by HfS Research
- Felicitated with "The International Outsourcing Contract of the year" award by National Outsourcing Association (NOA) for partnership with Morris Communications
- Ranked #5 for customer satisfaction in the UK in the annual research conducted by Whitelane Research and PA Consulting Group
- Recognized as a Leader by International Association of Outsourcing Professionals in The Global Outsourcing 100® and The World's Best Outsourcing Advisors in the Leader size category
- Conferred with the 'RB Investor Communication' award in the "Technology – Emerging Corporates" category

- Recognized by "Great Place To Work® Institute" as "Top 5 large organizations" in the IT-BPM domain
- Listed in 50 Best IT- BPM Company to Work For in 2015' by 'Great Place To Work® Institute'
- Conferred with "HR Technology leader" award by Business World HR Excellence
- Included in Computer World's List of 100 Best Places to Work in IT and ranked No. 23 among small organizations
- Conferred with 'Talent Management' award at the Knowledge Management Leadership Awards by Asia Pacific HRM Congress
- Conferred with two awards - 'BPO Contract of the Year' and 'Award for Skills Development Program of the year' - at National Awards for Excellence in Outsourcing & BPO by Asia Outsourcing Congress
- Conferred with E-Governance Initiative of the year award by ASSOCHAM

ACKNOWLEDGEMENTS

The Board of Directors would like to take this opportunity to place on record its appreciation for the committed services and contributions made by employees of the Company during the year at all levels. In addition, the Directors wish to thank the Company's customers, business partners, vendors, bankers & financial institutions, all government & non-governmental agencies, and other business associates for their continued support. We also thank Government of other countries where we have our operations.

The Directors also acknowledge and appreciate the support and confidence of the Company's shareholders, and remain committed to enabling the Company achieve its growth objectives in the coming years.

For and on behalf of the Board of Directors
Sd/-

Place: Noida
Dated: May 06, 2016

Rajendra S Pawar
Chairman & Managing Director
DIN: 00042516

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:-**L65993DL1992PLC048753**
- ii) Registration Date – **MAY 13, 1992**
- iii) Name of the Company – **NIIT TECHNOLOGIES LIMITED**
- iv) Category/Sub-Category of the Company – **Public Limited Company**
- v) Address of the Registered office and contact details – **8, Balaji Estate, Guru Ravi Das Marg, Kalkaji, New Delhi – 1100 19**
- vi) Whether listed company - **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any–**Alankit Assignments Limited, Alankit Heights RTA Division, 1 E/13, Jhandewalan Extension, New Delhi – 110 055, Phone Nos. : 011-42541234, 23541234, Fax Nos. : 011-23552001, E-mail : rta@alankit.com**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Computer Programming Consultancy and Related Activities	620	61%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	Name of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable section
1.	NIIT SmartServe Limited	U72900DL2002PLC114946	Subsidiary	100%	2 (87)
2.	ESRI India Technologies Limited (erstwhile NIIT GIS Limited)	U74140DL1996PLC080487	Subsidiary	88.99%	2 (87)
3.	NIIT Technologies Services Limited	U72900DL2006PLC156099	Subsidiary	100%	2 (87)
4.	Incessant Technologies Private Limited	U72200TG2007RTC056127	Subsidiary	51%	2 (87)
5.	NIIT Technologies Inc. USA	Foreign Company	Subsidiary	100%	2 (87)
6.	NIIT Media Technologies LLC	Foreign Company	Subsidiary	60%	2 (87)
7.	NIIT Technologies Co. Ltd. Japan	Foreign Company	Subsidiary	100%	2 (87)
8.	NIIT Technologies Pte. Ltd Singapore	Foreign Company	Subsidiary	100%	2 (87)
9.	NIIT Technologies Pty Limited Australia	Foreign Company	Subsidiary	100%	2 (87)
10.	NIIT Technologies Ltd. Thailand	Foreign Company	Subsidiary	100%	2 (87)
11.	NIIT Technologies Ltd. UK	Foreign Company	Subsidiary	100%	2 (87)
12.	NIIT Technologies BV Netherlands	Foreign Company	Subsidiary	100%	2 (87)
13.	NIIT Technologies NV Belgium	Foreign Company	Subsidiary	100%	2 (87)
14.	NIIT Insurance Technologies Ltd.	Foreign Company	Subsidiary	100%	2 (87)
15.	NIIT Technologies Brazil Ltda.	Foreign Company	Subsidiary	100%	2 (87)
16.	NIIT Technologies S.A	Foreign Company	Subsidiary	100%	2 (87)
17.	NIIT Technologies GmbH Germany	Foreign Company	Subsidiary	100%	2 (87)
18.	NIIT Technologies AG Switzerland	Foreign Company	Subsidiary	100%	2 (87)
19.	NIIT Technologies FZ-LLC Dubai	Foreign Company	Subsidiary	100%	2 (87)
20.	NIIT Airline Technologies GmbH Germany	Foreign Company	Subsidiary	100%	2 (87)
21.	NIIT Technologies Philippines	Foreign Company	Subsidiary	100%	2 (87)
22.	*Incessant Technologies. Ltd. UK	Foreign Company	Subsidiary	Refer note below	2 (87)
23.	*Incessant Technologies Pty Ltd. Australia	Foreign Company	Subsidiary	Refer note below	2 (87)
24.	*Incessant Technologies Inc USA	Foreign Company	Subsidiary	Refer note below	2 (87)
25.	*Incessant Technologies Inc Canada	Foreign Company	Subsidiary	Refer note below	2 (87)
26.	*Incessant Technologies Ltd. Ireland	Foreign Company	Subsidiary	Refer note below	2 (87)

*Above mentioned Companies are Wholly owned subsidiaries of Incessant Technologies Private Limited. NIIT Technologies Limited holds 51% shares in Incessant Technologies Pvt. Ltd.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a. Individual/HUF	2816	0	2816	0.00	2816	0	2816	0.00	0.00
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	18845302	0	18845302	30.87	18845302	0	18845302	30.80	-0.08
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total- A (1)	18848118	0	18848118	30.88	18848118	0	18848118	30.80	-0.08
(2) Foreign									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-total - A (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A)=A(1)+A(2)	18848118	0	18848118	30.88	18848118	0	18848118	30.80	-0.08
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	10408349	1628	10409977	17.05	12386057	1628	12387685	20.25	3.19
b. Bank/ FI	32716	112	32828	0.05	30278	112	30390	0.05	0.00
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	774178	0	774178	1.27	746211	0	746211	1.22	-0.05
g. FIs	17281820	4378	17286198	28.32	10376967	4378	10381345	16.97	-11.35
h. Foreign Portfolio Corporate	2860567	0	2860567	4.69	9078578	0	9078578	14.84	10.15
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-total - B (1)	31357630	6118	31363748	51.38	32618091	6118	32624209	53.32	1.94
2. Non- Institution									
a. Body Corp.	2310359	4353	2314712	3.79	2322408	4353	2326761	3.80	0.01
b. Individual									
i. Individual Shareholder holding nominal share capital upto 1 Lakh	4786743	250930	5037673	8.25	4485178	241400	4726578	7.72	-0.53
ii. Individual Shareholder holding nominal share capital in excess of 1 Lakh	2763924	0	2763924	4.53	1988360	0	1988360	3.25	-1.28

c. Others									
(i) NRI (Rep)	377929	62531	440460	0.72	339578	40056	379634	0.62	-0.10
(ii) NRI (Non-Rep)	216099	15300	231399	0.38	238533	14550	253083	0.41	0.03
(iii) Foreign National	22550	22200	44750	0.07	17550	22200	39750	0.06	-0.01
(iv) OCB		0		0.00		0		0.00	0.00
(v) Trust	115	0	115	0.00	31	0	31	0.00	0.00
(vi) In Transit		0				0			
Sub-Total - (B)(2)	10477719	355314	10833033	17.75	9391638	322559	9714197	15.88	-1.87
Total Public Shareholding (B)=(B)(1)+(B)(2)	41835349	361432	42196781	69.12	42009729	328677	42338406	69.20	0.07
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0		
Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	60683467	361432	61044899	100.00	60857847	328677	61186524	100.00	0.00

Note: There is no change in the number of shares held by the Promoter/Promoter Companies. However the percentage of the shareholding has changed during the year due to ESOP allotments.

(ii) Shareholding of Promoters								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year#
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Rajendra Singh Pawar & Neeti Pawar	100	0.00	0	100	0.00	0	0.00
2	Neeti Pawar & Rajendra Singh Pawar	100	0.00	0	100	0.00	0	0.00
3	R.S.Pawar HUF	759	0.00	0	759	0.00	0	0.00
4	Renuka Vijay Thadani & Vijay Kumar Thadani	998	0.00	0	998	0.00	0	0.00
5	Vijay Kumar Thadani & Renuka Vijay Thadani	100	0.00	0	100	0.00	0	0.00
6	V.K.Thadani HUF	759	0.00	0	759	0.00	0	0.00
7	Pace Industries Private Limited	2,175,911	3.56	0	2,175,911	3.56	0	-0.01
8	Global Solutions Private Limited	2,175,911	3.56	0	2,175,911	3.56	0	-0.01
9	NIIT Limited*	14,493,480	23.74	0	14,493,480	23.68	0	-0.06
	Total	18,848,118	30.88	0	18,848,118	30.80	0	-0.08

* Share transferred to NIIT Limited pursuant to merger of Scantech Evaluation Services Limited in NIIT Limited during the Financial Year.

Variation in %age due to ESOP allotment to employees of the Company.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	18,848,118	30.88	-	-
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equities etc.):	-	-	-	-
3.	At the end of the year	18,848,118	30.80	18,848,118	30.80

Note: There is no change in the Promoter shareholding except change in %age due to ESOP allotment to employees of the Company.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/end of the year (31-03-16)	% of total shares of the Company	Date (Week ending)	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1	Fidelity Management And Research Company A/C Fidelity Advisor Series I Fidelity Advisor Small Cap Fund	3800000	6.22	1-Apr-2015				
		3800000	6.21	31-Mar-2016	-	Nil Movement during the year	3800000	6.21
2	Edgbaston Asian Equity Trust*	3441439	5.64	1-Apr-2015				
				10-Apr-2015	45597	Transfer	3487036	5.71
				24-Apr-2015	44635	Transfer	3531671	5.79
				8-May-2015	48860	Transfer	3580531	5.87
				5-Jun-2015	21874	Transfer	3602405	5.90
				3-Jul-2015	5636	Transfer	3608041	5.91
				17-Jul-2015	-45406	Transfer	3562635	5.83
				24-Jul-2015	-162489	Transfer	3400146	5.57
				31-Jul-2015	-160134	Transfer	3240012	5.31
				7-Aug-2015	-92562	Transfer	3147450	5.15
				14-Aug-2015	-14186	Transfer	3133264	5.13
				21-Aug-2015	-164396	Transfer	2968868	4.86
				28-Aug-2015	-112652	Transfer	2856216	4.68
				4-Sep-2015	-79941	Transfer	2776275	4.55
				11-Sep-2015	-58179	Transfer	2718096	4.45
				18-Sep-2015	-264001	Transfer	2454095	4.02
30-Sep-2015	-73669	Transfer	2380426	3.90				
2-Oct-2015	-14313	Transfer	2366113	3.87				
9-Oct-2015	-75770	Transfer	2290343	3.75				
16-Oct-2015	-212546	Transfer	2077797	3.40				
23-Oct-2015	-200544	Transfer	1877253	3.07				
30-Oct-2015	-185249	Transfer	1692004	2.77				

				6-Nov-2015	-90995	Transfer	1601009	2.62
				13-Nov-2015	-170373	Transfer	1430636	2.34
				20-Nov-2015	-97742	Transfer	1332894	2.18
				27-Nov-2015	-84804	Transfer	1248090	2.04
				4-Dec-2015	-88373	Transfer	1159717	1.90
				11-Dec-2015	-157136	Transfer	1002581	1.64
				18-Dec-2015	-19864	Transfer	982717	1.61
				25-Dec-2015	-85741	Transfer	896976	1.47
				15-Jan-2016	-91764	Transfer	805212	1.32
				22-Jan-2016	-79468	Transfer	725744	1.19
				29-Jan-2016	-95582	Transfer	630162	1.03
				12-Feb-2016	-91757	Transfer	538405	0.88
				19-Feb-2016	-101787	Transfer	436618	0.71
				26-Feb-2016	-183284	Transfer	253334	0.41
				4-Mar-2016	-148412	Transfer	104922	0.17
				11-Mar-2016	-104922	Transfer	0	0.00
		0	0.00	31-Mar-2016	-		0	0.00
3	HDFC Trustee Company Ltd - A/C HDFC Mid - Cap Opportunities Fund	3400000	5.57	1-Apr-2015				
				8-May-2015	100000	Transfer	3500000	5.73
				22-May-2015	15000	Transfer	3515000	5.76
				12-Jun-2015	19500	Transfer	3534500	5.79
				3-Jul-2015	100300	Transfer	3634800	5.95
				10-Jul-2015	60602	Transfer	3695402	6.05
				17-Jul-2015	71000	Transfer	3766402	6.17
				24-Jul-2015	97100	Transfer	3863502	6.33
				15-Jan-2016	2348	Transfer	3865850	6.32
		3865850	6.32	31-Mar-2016	-		3865850	6.32
4	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund	2018000	3.31	1-Apr-2015				
						Nii Movement during the year		
		2018000	3.30	31-Mar-2016	-		2018000	3.30
5	Brandes Investment Trust-Brandes International Small Cap Equity Fund	1549141	2.54	1-Apr-2015				
				10-Apr-2015	10414	Transfer	1559555	2.55
				17-Apr-2015	63970	Transfer	1623525	2.66
				24-Apr-2015	65700	Transfer	1689225	2.77
				8-May-2015	140070	Transfer	1829295	3.00
				19-Jun-2015	7518	Transfer	1836813	3.01
				26-Jun-2015	66582	Transfer	1903395	3.12
				3-Jul-2015	13721	Transfer	1917116	3.14
				10-Jul-2015	7719	Transfer	1924835	3.15
				17-Jul-2015	54560	Transfer	1979395	3.24
				18-Sep-2015	-5445	Transfer	1973950	3.23
				25-Sep-2015	-2489	Transfer	1971461	3.23
		1971461	3.22	31-Mar-2016	-		1971461	3.22
6	Ashish Dhawan*	1316185	2.16	1-Apr-2015				
				17-Apr-2015	12894	Transfer	1329079	2.18
				24-Jul-2015	-47588	Transfer	1281491	2.10
				31-Jul-2015	-2412	Transfer	1279079	2.09
				7-Aug-2015	-50895	Transfer	1228184	2.01
				14-Aug-2015	-249105	Transfer	979079	1.60
				21-Aug-2015	-166596	Transfer	812483	1.33
				28-Aug-2015	-3016	Transfer	809467	1.33
				30-Oct-2015	-4772	Transfer	804695	1.32
				13-Nov-2015	-22230	Transfer	782465	1.28

				20-Nov-2015	-35811	Transfer	746654	1.22
				18-Dec-2015	-33937	Transfer	712717	1.17
				25-Dec-2015	-40358	Transfer	672359	1.10
				31-Dec-2015	-7065	Transfer	665294	1.09
				8-Jan-2016	-17413	Transfer	647881	1.06
				15-Jan-2016	-16133	Transfer	631748	1.03
				5-Feb-2016	-47281	Transfer	584467	0.96
		584467	0.96	31-Mar-2016	-		584467	0.96
7	AKM Systems Pvt. Ltd.	1058351	1.73	1-Apr-2015				
				26-Jun-2015	1405	Transfer	1059756	1.74
				10-Jul-2015	2315	Transfer	1062071	1.74
				17-Jul-2015	-3085	Transfer	1058986	1.73
				24-Jul-2015	-2468	Transfer	1056518	1.73
		1056518	1.73	31-Mar-2016	-		1056518	1.73
8	UTI-Dividend Yield Fund	945000	1.55	1-Apr-2015				
				17-Jul-2015	-18000	Transfer	927000	1.52
				30-Sep-2015	-1853	Transfer	925147	1.51
				30-Oct-2015	-12500	Transfer	912647	1.49
				27-Nov-2015	-21647	Transfer	891000	1.46
				15-Jan-2016	-25372	Transfer	865628	1.42
		865628	1.41	31-Mar-2016	-		865628	1.41
9	UTAH State Retirement Systems*	913566	1.50	1-Apr-2015				
				7-Aug-2015	-53877	Transfer	859689	1.41
				14-Aug-2015	-14913	Transfer	844776	1.38
				30-Sep-2015	-23241	Transfer	821535	1.34
				2-Oct-2015	-7350	Transfer	814185	1.33
				9-Oct-2015	-37015	Transfer	777170	1.27
				16-Oct-2015	-26024	Transfer	751146	1.23
				23-Oct-2015	-40000	Transfer	711146	1.16
				18-Dec-2015	-240731	Transfer	470415	0.77
		470415	0.77	31-Mar-2016	-		470415	0.77
10	HDFC Trustee Company Limited A/C HDFC Balanced Fund	824894	1.35	1-Apr-2015				
						Nil Movement during the year		
		824894	1.35	31-Mar-2016	-		824894	1.35
11	DSP Blackrock Micro Cap Fund#	528404	0.87	1-Apr-2015				
				18-Sep-2015	317555	Transfer	845959	1.39
				16-Oct-2015	200000	Transfer	1045959	1.71
				23-Oct-2015	-63910	Transfer	982049	1.61
				22-Jan-2016	51130	Transfer	1033179	1.69
				4-Mar-2016	24218	Transfer	1057397	1.73
				25-Mar-2016	16331	Transfer	1073728	1.75
		1125816	1.84	31-Mar-2016	52088	Transfer	1125816	1.84
12	CLSA Global Markets Pte. Ltd.#	0	0.00	1-Apr-2015				
				11-Dec-2015	115434	Transfer	115434	0.19
				18-Dec-2015	165100	Transfer	280534	0.46
				25-Dec-2015	96086	Transfer	376620	0.62
				8-Jan-2016	66544	Transfer	443164	0.72
				15-Jan-2016	119000	Transfer	562164	0.92

				22-Jan-2016	77000	Transfer	639164	1.05
				29-Jan-2016	34371	Transfer	673535	1.10
				5-Feb-2016	41269	Transfer	714804	1.17
				12-Feb-2016	74483	Transfer	789287	1.29
				19-Feb-2016	88624	Transfer	877911	1.43
		877911	1.43	31-Mar-2016	-		877911	1.43
13	Franklin India Smaller Companies Fund#	0	0.00	1-Apr-2015				
				6-Nov-2015	91371	Transfer	91371	0.15
				13-Nov-2015	108629	Transfer	200000	0.33
				20-Nov-2015	76146	Transfer	276146	0.45
				4-Dec-2015	18131	Transfer	294277	0.48
				11-Dec-2015	71832	Transfer	366109	0.60
				18-Dec-2015	291808	Transfer	657917	1.08
				15-Jan-2016	25000	Transfer	682917	1.12
				22-Jan-2016	100000	Transfer	782917	1.28
				4-Mar-2016	75000	Transfer	857917	1.40
		857917	1.40	31-Mar-2016	-		857917	1.40

*Ceased to be in the list of Top 10 shareholders as on 31-03-2016. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2015.

#Not in the list of Top 10 shareholders as on 01-04-2015. The same has been reflected above since shareholder was one of the Top 10 shareholders as on 31-03-2016.

(v) Shareholding of Directors and Key Managerial Personnel:								
Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/end of the year (31-03-16)	% of total shares of the Company	Date (Week ending)	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1	Mr. Rajendra Singh Pawar*	959	0.00	1-Apr-2015				
					Nil Movement during the year			
		959	0.00	31-Mar-2016	-		959	0.00
2	Mr. Arvind Thakur	572773	0.94	1-Apr-2015				
					Nil Movement during the year			
		572773	0.94	31-Mar-2016	-		572773	0.94
3	Mr. Vijay Kumar Thadani**	1857	0.00	1-Apr-2015				
					Nil Movement during the year			
		1857	0.00	31-Mar-2016	-		1857	0.00
4	Mr. Amit Sharma	55705	0.09	1-Apr-2015				
					Nil Movement during the year			
		55705	0.09	31-Mar-2016	-		55705	0.09

5	Ms. Pratibha K Advani***	117	0.00	1-Apr-2015				
				10-Apr-2015	-100	Transfer	17	0.00
		17	0.00	31-Mar-2016	-		17	0.00
6	Mr. Surendra Singh	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00
7	Mr. Ashwani Kumar Puri	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00
8	Ms. Holly Jane Morris	0	0.00	1-Apr-2015				
						Nil Movement during the year	0	
		0	0.00	31-Mar-2016	-			0.00
9	Ms. Monika Arora#	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00
10	Mr. Lalit Kumar Sharma##	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00
11	Mr. Amit Roy###	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00
12	Mr. Amit Kumar Garg####	0	0.00	1-Apr-2015				
						Nil Movement during the year		
		0	0.00	31-Mar-2016	-		0	0.00

- *This includes 759 equity shares in the name of Mr. Rajendra S Pawar – HUF as Karta, 100 equity shares in the name of Mr. Rajendra S Pawar & Ms. Neeti Pawar & 100 equity shares in the name of Ms. Neeti Pawar & Mr. Rajendra S Pawar.
- **This includes 759 shares in the name of Vijay K Thadani – HUF as Karta, 100 equity shares in the name of Mr. Vijay K Thadani & Ms. Renuka Thadani & 998 equity shares in the name of Ms. Renuka Vijay Thadani & Mr. Vijay K Thadani
- ***Ms. Pratibha K Advani was Chief Financial Officer till May 07, 2015
- #Ms. Monika Arora was Company Secretary and Compliance Officer till May 31, 2015.
- ##Mr. Lalit Kumar Sharma – Company Secretary & Compliance Officer (Appointed w.e.f June 01, 2015)
- ###Mr. Amit Roy – Chief Financial Officer (Appointed w.e.f. May 08, 2015 till December 13, 2015)
- ####Mr. Amit Kumar Garg – Chief Financial Officer (Appointed w.e.f December 14, 2015)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	80,811,865	200,000,000	-	280,811,865
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not Due	-	5,268,566	-	5,268,566
Total (i+ii+iii)	80,811,865	205,268,566	-	286,080,431
Change in Indebtedness during the Financial Year				
• Addition	58,958,259	16,761,641	-	75,719,900
• Reduction	42,618,435	222,030,207	-	264,648,642
Net Change	(+)16,339,824	205,268,566	-	188,928,742
Indebtedness at the end of the Financial Year				
i) Principal Amount	97,151,689	-	-	97,151,689
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	97,151,689	-	-	97,151,689

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Rajendra S Pawar, Managing Director	Arvind Thakur, CEO & Joint Managing Director	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,828,146	21,430,205	39,258,351
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,104,496	1,654,374	2,758,870
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	18,932,642	23,084,579	42,017,221
	Ceiling as per the Act		-	253,370,830

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Vijay K Thadani	Surendra Singh	Amit Sharma	Ashwani Puri	Holly Jane Morris	
	Independent Directors						
	• Fee for attending board committee meetings	2,40,000	-	-	-	-	2,40,000
	• Commission	7,00,000	-	-	-	-	7,00,000
	• Others, please specify		-	-	-	-	-
	Total (1)	940,000	-	-	-	-	940,000
	Other Non-Executive Directors						
	• Fee for attending board committee meetings		240,000	240,000	240,000	272,931	992,931
	• Commission		700,000	800,000	750,000	2,183,449	4,433,449
	• Others, please specify						
	Total (2)	0	940,000	1,040,000	990,000	2,456,380	5,426,380
	Total (B)=(1+2)	940,000	940,000	1,040,000	990,000	2,456,380	6,366,380
	Total Managerial Remuneration						48,383,601
	Overall Ceiling as per the Act						278,707,913

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,469,262	10,268,292	13,737,554
1	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18,900	730,857	749,757
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	3,488,162	10,999,149	14,487,311

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

ANNEXURE - B

S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto to the reporting period	Amount spent: Director through implementing agency*
<p>11. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.</p> <p>The Company's Values & Beliefs statement is to ensure that in any association with society, society benefits substantially more than what society gives to us and what society would gain from any other similar association. The policy spells out Company's philosophy towards its social responsibilities and lays down the guidelines, framework and mechanism relating to the implementation, monitoring, reporting, disclosure, evaluation and assessment of projects, programmes and activities forming part of CSR. As part of its CSR initiatives, the Company continued its CSR drive around education, employability, infrastructure, local initiatives and engagement.</p>							
<p>2. The Composition of the CSR Committee.</p> <p>1. Mr. Surendra Singh (Independent Director)- Chairman 2. Mr. Amit Sharma (Independent Director)- Member 3. Mr. Ashwani Puri (Independent Director)- Member 4. Mr. Arvind Thakur (Executive Director)- Member</p>							
3. Average net profit of the company for last three financial years				1794.853 Mn			
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)				35.897 Mn			
5. Details of CSR spent during the financial year.				35.897 Mn			
(a) Total amount to be spent for the financial year;				NIL			
(b) Amount unspent, if any;				NIL			
(c) Manner in which the amount spent during the financial year is detailed below.				NIL			
1	2	3	4	5	6	7	8
1	NIIT Institute of Information Technology	Education	Other	45,171,645	45,171,645	45,171,645	Direct
			(1) Local area or other				
			(2) Specify the State and district where projects or programs was undertaken				
2	Government Schools : Govt School Murshadpur, Govt School Gharbara, Tapovan Vidya Mandir, Junior High School Raipur, NIIT Foundation, Govt. School, Karjat, Near Mumbai.	Education	(1) Local area or other Local (since the Company is present at following location: Greater Noida Campu, H-7 Sector 63, Noida and Sector 126 Noida, Mumbai U.P., Maharashtra	1,830,278	1,830,278	1,830,278	Direct
			(2) Specify the State and district where projects or programs was undertaken				
TOTAL				47,001,923	47,001,923	47,001,923	
6. In case the Company has failed to spend the 2% Average Net Profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board Report.							
7. Responsibility Statement of the CSR Committee that the implementation & monitoring of the CSR Policy, is in compliance with the CSR Objectives and policy of the Company.							

Place : Noida

Dated : May 06, 2016

Surendra Singh
(Chairman CSR Committee)

Arvind Thakur
(CEO & Jt. Managing Director)

ANNEXURE - C

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Remuneration paid to Executive Directors:

Name	Title	Remuneration in FY16 (Rs. In Mn)	Remuneration in FY15 (Rs. In Mn)	% increase in Remuneration in FY16 over FY15	Ratio of Remuneration to Median Remuneration of NIITians	Ratio of Remuneration to	
						Revenue FY16	Net profit FY16
Mr. Rajendra S Pawar	Chairman & Managing Director	30.39	28.40	7.0%	40.33	0.21	1.57
Mr. Arvind Thakur	CEO & Jt. Managing Director	36.38	34.00	7.0%	48.28	0.25	1.88

Remuneration paid to Non-Executive Directors:

Name	Title	Remuneration in FY16 (Rs. In Mn)	Remuneration in FY15 (Rs. In Mn)	% increase in Remuneration in FY16 over FY15	Ratio of Remuneration to Median Remuneration of NIITians
Mr. Vijay K Thadani	Non executive Director	0.94	0.94	0%	1.25
Mr. Surendra Singh	Independent Director	0.94	0.94	0%	1.25
Mr. Amit Sharma	Independent Director	1.04	1.04	0%	1.38
Mr. Ashwani Puri	Independent Director	0.99	0.99	0%	1.31
Ms. Holly Jane Morris	Independent Director	2.45	0.93	163%	3.26

Note : % increase is due to increase in no. of meeting attended during the year.

Remuneration paid to Non-Director KMPs

Non Director KMP- Title	Remuneration in FY16 (Rs. In Mn)	Remuneration in FY15 (Rs. In Mn)	% increase in Remuneration in FY16 over FY15	Ratio of Remuneration to	
				Revenue FY16	Net profit FY16
Chief Financial Officer	14.23	14.5	-1.86%	0.10	0.75
Company Secretary & Legal Counsel	5.1	4.1	24.39%	0.03	0.21

* The annualised compensation details of Non-Director KMP as on March 31, 2016 and as on March 31, 2015 has been considered for the above disclosure. Remuneration of Interim CFO & Interim CS has not been considered.

The number of permanent employees on the rolls of the Company in the FY16 over FY15 : 2.50%

The total increase in the aggregate remuneration of the Directors and the other KMPs was 6.29%.

At the same time, the increase in the aggregate salary of the other employees of the Company was 8.5%. The Nomination & Remuneration Committee received inputs from HR consulting firms and publicly available data on employee remuneration in the market for similar sized companies in this sector.

The 75th percentile was taken as the benchmark for corrections and changes in the managerial compensation as needed. The consolidated revenue growth in FY16 was 13.1% and the growth of net profit was 145% over that of FY15.

The key parameters for variable compensation provided to the whole time Directors were: (a) Revenue (b) ROCE (c) EPS (d) Sustained Increase in US Presence (e) Scale Up Infrastructure Management Services (f) New Million Dollar client acquisition (g) Contract execution quality

The ratio of remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director - None

The remuneration paid during the year FY16 was in line with the Remuneration Policy of the Company.

The Company's market capitalisation as on 31st March 2016, based on the closing price of its shares on the National Stock Exchange (NSE), was Rs 30391 million, representing an increase of 42.5% from Rs 21323 million as on 31st March 2015. The price-earnings ratio for the Company's shares based on consolidated FY2016 earnings stood at 10.8 on 31st March 2016, lower by 41.9% compared to 18.7 as on 31st March 2015 based on consolidated FY2015 earnings.

ANNEXURE - D

Statement pursuant to first proviso to sub-section (3) of section 129 of the companies act 2013, read with rule 5 of the companies (accounts) rules, 2014 in the prescribed form aoc-1 relating to subsidiary companies.

S. No.	Name of the subsidiary	Report- ing cur- rency	Exchange rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share- holding	Country
1	NIIT Technologies Ltd. UK	GBP	95.1623	311,792,329	1,973,957,965	2,794,997,353	509,247,060	1,618,249,091	4,295,707,205	359,300,394	18,237,855	341,062,540	-	100%	U.K
2	NIIT Technologies BV, Netherlands	EUR	75.3674	1,367,994	65,594,132	86,250,377	19,288,251	-	198,082,033	-7,106,593	-419,344	-6,687,248	-	100%	Netherlands
3	NIIT Technologies NV, Belgium	EUR	75.3674	4,670,773	-10,511,264	32,951,669	38,792,161	-	104,887,530	-13,223,430	16,789	-13,240,219	-	100%	Belgium
4	NIIT Technologies GmbH, Germany	EUR	75.3674	40,540,124	9,659,727	198,889,883	148,690,031	-	392,979,279	-13,184,504	-624,078	-12,560,426	-	100%	Germany
5	NIIT Technologies AG, Switzerland	CHF	69.0821	17,270,525	-39,581,741	20,336,148	42,647,363	-	54,551,140	-3,582,805	63,904	-3,646,709	-	100%	Switzerland
6	NIIT Insurance Technologies Limited, UK	GBP	95.1623	1,194,953	394,103,436	923,493,119	528,194,730	-	1,783,247,386	432,460,885	110,524,065	321,936,821	-	100%	U.K
7	NIIT Airline Technologies GmbH, Germany	EUR	75.3674	75,367,400	134,532,027	264,299,650	54,400,223	-	167,595,347	85,320,047	26,790,442	58,529,605	-	100%	Germany
8	NIIT Technologies S.A., Spain	EUR	75.3674	14,990,576	179,704,973	265,182,383	70,486,833	-	594,313,778	-53,913,919	-14,954,900	-38,959,019	-	100%	Spain
9	NIIT SmartSave Limited	INR	1.00	500,000,000	64,643,963	725,594,671	160,950,708	-	536,688,959	123,614,218	40,376,267	83,237,951	66,292,663	100%	India
10	NIIT Technologies Services Limited	INR	1.00	50,000,000	-22,468,982	27,739,538	208,520	-	-	1,218,654	-	1,218,654	-	100%	India
11	NIIT Technologies Limited, Thailand	THB	1.89	28,276,500	292,146,194	612,686,301	292,263,606	-	854,768,053	136,378,308	30,215,274	106,163,033	-	100%	Thailand
12	NIIT Technologies Pte Ltd, Singapore	SGD	49.15	816,546,688	173,189,212	1,094,834,990	105,099,090	806,028,198	466,420,315	13,517,391	3,855,779	9,661,612	-	100%	Singapore
13	NIIT Technologies Pty Limited, Australia	AUD	50.80	828,157,736	-629,629,690	420,551,513	222,023,468	-	602,338,033	7,723,697	-102,218	7,825,914	-	100%	Australia
14	NIIT Technologies Co. Ltd., Japan	JPY	0.59	240,661,162	-242,597,444	10,192,747	12,129,030	-	4,635,889	787,750	1,539,088	-751,338	-	100%	Japan
15	NIIT Technologies FZ LLC, Dubai	AED	18.02	90,084,500	-3,770,414	269,454,049	183,139,963	-	875,597,414	77,229,630	-	77,229,630	-	100%	Dubai
16	NIIT Technologies Philippines Inc., Philippines	PHP	1.44	1,440,133	32,149,431	61,480,928	27,891,364	-	141,124,949	12,360,401	4,386,379	7,974,022	-	100%	Philippines
17	NIIT Technologies Brazil Ltda, Brazil	BRL	18.62	4,654,227	-4,337,517	52,660,196	52,343,486	-	79,541,682	-533,060	2,942,491	-3,475,551	-	100%	Brazil
18	NIIT Technologies Inc., USA	USD	66.18	187,798,024	1,287,351,418	1,954,187,627	459,058,185	213,161,793	10,312,508,674	404,568,817	155,465,592	249,103,225	-	100%	USA
19	NIIT Technologies Limited, Canada	CAD	51.03	-	-171,970	-	-	-	-	-171,970	-	-171,970	-	100%	Canada
20	NIIT Media Technologies LLC, USA	USD	66.18	355,141,061	65,304,829	486,985,651	66,539,761	-	1,715,724,835	65,304,709	-	65,304,709	-	60%	USA
21	ESRI India Technologies Limited	INR	1.00	10,000,700	513,304,216	803,160,485	279,855,569	-	904,988,481	126,584,653	32,219,469	94,365,184	47,003,290	86.99%	India
22	Incessant Technologies Private Limited	INR	1.00	8,095,262	910,961,183	1,271,307,597	352,251,152	-	1,427,877,182	159,251,129	49,799,159	109,451,970	-	51.00%	India

Notes:- 1-Indian Rupee equivalent of the figures given in the foreign currencies in the accounts of subsidiary companies, are based on exchange rates as on March 31, 2016

2-The reporting period of all subsidiaries is March 31, 2016

NIIT TECHNOLOGIES LIMITED

ANNEXURE - E

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act,

1. Details of contracts or arrangements or transactions not at arm's length basis

Point no 1 of Form No . AOC -2 is not Applicable

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship

Name of the Party	Relationship
NIIT Technologies Limited, UK	Wholly Owned Subsidiary
NIIT Technologies, Inc. USA	Wholly Owned Subsidiary

(b) Nature of contracts/arrangements/transactions

Rendering of Software Development, Services and Corporate Services.

(c) Duration of the contracts/arrangements/transactions

Ongoing unless terminated

d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Software Development

Scope : Computer Software Development and maintenance of IT and IT enabled Services. **Charges:** Service charges to be determined based on the internationally recognised arms length principles. **Payment terms:** 150 days from the date of invoice. **Tenure :** Perpetual unless terminated by either party. **Termination:** 30 days notice by either party.

Corporate Services

a). Master Service Agreement is for Corporate Services. b) The services covered under this agreement are organizational services such as Financial, Secretarial, Legal, Human Resources and Internal Resources. c) Allocation of cost to be made in accordance with reasonable and prudent business practices and shall be mutually agreed between the parties and all invoices under the agreement shall be on arm's length basis. d) Recovery of expenses shall be based on usage of common facilities such as telephone, premises, electricity etc. e) agreement terminable with 30 days notice by either party. f) Payment to be remitted vide Bank TT within such period as may be agreed from time to time.

(e) Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into in the ordinary course of business and on arms length basis.

(f) Amount paid as advances, if any: NIL

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2016

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
NIIT Technologies Limited,
8, Balaji Estate, First Floor,
Guru Ravi Das Marg Kalkaji,
New Delhi-110019**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "NIIT Technologies Limited" (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of NIIT Technologies Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (erstwhile The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - vi) Foreign Trade Policy of the Government of India (the law, which is applicable specifically to the Company, being 100% EOU under Software Technology Park Scheme) to the extent of the following:
 - a. Obtaining Letter of Approval (LOA) for setting up 100% EOU under Software Technology Park (STP);
 - b. Obtaining License for setting up Private Custom Bonded Warehouse;
 - c. Submission of Monthly Progress Report;
 - d. Submission of Annual Progress Report.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the Company has declared and paid dividend and necessary compliances of the Companies Act, 2013 was made.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Place: New Delhi
Date: May 06, 2016

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087

Management Discussion and Analysis

Management's Discussion and Analysis (MD&A) of Consolidated Global Operations

(all references to consolidated performance, unless otherwise stated)

Competing on the strength of specialization

NIIT Technologies is an established IT solutions provider with a sharp focus on select industry verticals that include Travel & Transportation, Insurance, Banking & Financial Services, Manufacturing & Distribution, and Media. The Company has a highly differentiated position in these verticals with substantial domain knowledge and an array of intellectual property (IP) accumulated over several years, enabling it to compete on the strength of its specialization.

In addition to its strengths as a specialist in its verticals of focus, NIIT Technologies has also built robust capabilities across a wide range of practice lines including Application Development & Maintenance, Infrastructure Management Services (IMS), DevOps, Cloud Services, Testing, and Business Process Management. These capabilities complement and further fortify its operating profile, allowing it to successfully compete for and deliver on large and complex engagements globally.

Driven by its vision to be the first choice, the Company has a track-record of being an early adopter of new, disruptive technologies and business models, including Digital Services and Automation. This has, over the years, helped it maintain its leadership position in its industry verticals of focus and gain market recognition as an innovative, knowledge-led solutions provider.

Smart IT, Scale Digital: Enhancing capabilities in Automation, driving growth with Digital

The latest, and also the fastest growing, addition to the Company's offerings portfolio is Digital Services. In line with its track-record as an early mover, NIIT Technologies had made its foray into Digital Services a few years ago, developing multiple specific capabilities and engaging with clients to help them leverage digital technologies and create market-ready solutions with transformational benefits. The Company has been making necessary investments and implementing capability-building initiatives to stay ahead of the curve, nurturing an ecosystem of partnerships concurrently with fostering an organizational culture that encourages and rewards innovation, creativity, and customer-centricity.

During the year under review, NIIT Technologies reinforced its Digital Services business by making a strategic investment in Incessant Technologies, acquiring a 51% stake in it. This in turn has yielded multiple benefits both strategically and operationally, and also enhanced the Company's presence across the Digital Services value chain – Digital Experience, Digital Analytics, and Digital Integration. These offerings are aimed at enabling a holistic digital transformation for its clients.

In terms of Digital Experience, the Company's solutions are aimed at maximizing clients' customer, employee, and business partner assessments of experiences. The Digital Analytics offering builds upon the Company's business intelligence and data warehousing capabilities to provide predictive and actionable analytics through the use of Big Data technologies as well as Data Integration and Data Visualisation tools. A key proprietary framework in this area is Digital Foresight® that has gained noticeable traction within the Insurance vertical in particular. Digital Integration is increasingly becoming a critical capability and is estimated to account for the largest share of Digital spend by customer organizations over the next few years. The Company's strategic investment in Incessant Technologies, which is a leader in agile delivery of enterprise iBPM solutions such as Pegasystems and Appian, has helped it stay ahead of the pack in this area.

The Company has put together an Automation framework and embraced Robotic Process Automation (RPA) to drive efficiencies in its solutions. RPA is the application of technology (software robot) to interpret existing applications for processing a transaction, handling data, triggering responses and communicating with other digital systems. The Company added to these capabilities during the year under review by partnering with UiPath, a software company specializing in RPA solutions to launch intelligent automation aimed at driving greater business benefits for its clients. The Company has also developed a proprietary framework Process GymSM to identify automation opportunities. Together with RPA, the Company will be able to deliver end-to-end solutions to its clients.

Delivering on corporate agenda: Review of operating and financial performance

(The Company's consolidated financials include the financials of NIIT Technologies Limited and its subsidiaries, including subsequent level companies after eliminating inter-company transactions.)

During the financial year under review (FY2016), NIIT Technologies made significant progress on its corporate agenda and priorities. This included improving its revenue mix (with greater contribution from international geographies), delivering growth in line with the industry, significantly expanding operating margins, strengthening its presence in the high opportunity Digital Services space, and reducing debtors days resulting in better cash flows.

During FY2016, the Company recorded a 13.1% growth in revenues to Rs 26,824 million from Rs 23,725 million

in the preceding year. Revenues from international markets grew faster, registering a growth of 17% during the year. The Digital Services business too witnessed rapid growth during the year and now contributes 15% of consolidated revenues. The Insurance and Banking & Financial Services verticals witnessed healthy growth during FY2016, growing 29% and jointly contributing 38% to consolidated revenues. The Company has also been able to maintain its strong market position in the Travel & Transportation vertical, which contributed 35% to overall revenues in FY2016, although growth in that vertical was relatively subdued on account of some large projects getting completed and going live during the year under review.

Revenue analysis

FY2016 has been a year of growth acceleration and margin expansion, characterized by a qualitative shift in revenue mix towards international geographies that in turn drove significant improvements in operating margins.

Geographies: contribution to consolidated revenues (in %)	FY 2016	FY 2015
Americas	46%	44%
EMEA	34%	36%
Rest of World	20%	20%

Among verticals, the Insurance and BFS businesses registered strong growth, while the Travel & Transportation vertical witnessed some sluggishness amidst large project completion. Domestic revenues declined, reflecting reduced focus on the domestic Government business.

Verticals: contribution to consolidated revenues (in %)	FY 2016	FY 2015
Travel & Transportation	35%	40%
Insurance	21%	18%
Banking and Financial Services	17%	15%
Government	4%	5%
Others (including Manufacturing)	23%	22%

Earnings analysis

Operating (EBITDA) profit for the financial year under review stood at Rs. 4,733 million, an increase of 36.9% over the preceding year. Operating margins for FY2016 stood at 17.6%, representing an expansion of 308 basis points over FY2015. As a result, profits after taxes (PAT) more than doubled to Rs 2,800 million from Rs.1,141 million in the previous year, an increase of 145%. EPS (basic) for the year stood at Rs 45.8.

Order intake and order book analysis

NIIT Technologies added significant new business during FY2016, adding new names to its client list even as it successfully increased its business with existing

customers. The total number of new clients added during the year under review stood at 28; these included several multi-million dollar and multi-year deals in international markets. Among the large deals won by the Company was a £23 million contract from the UK communications regulator Ofcom, for managing its infrastructure & application systems and offer a customer-focused service to improve the users' experience of ICT services. The contract is over a six year period which includes an initial term of 4 years and extensions. The Company also bagged a new multi-year large transformational outsourcing engagement with an insurance client in Europe and acquired another multimillion dollar new insurance logo in the US.

This resulted in a total order intake of US\$ 420 million over the course of the financial year, which in turn creates a strong foundation for growth in the next year (FY 2017). The order-book executable over the next 12 months stood at \$301 million as on 31 March 2016, which is higher than \$295 million a year ago.

New clients addition by geography	FY 2016	FY 2015
Americas	9	11
EMEA	7	4
APAC	12	2
India	0	2
TOTAL	28	19

Strong cash flow generation

During the year under review, the Company witnessed an uptrend in cash flow from operations and a rise in free cash flows, concurrent with business growth and better collections leading to reduced days sales outstanding (DSO) at 80 days as on 31 March 2016 from 93 days a year ago. Cash and cash equivalents increased from Rs 3,375 million a year ago to Rs 4,241 million as on 31 March 2016.

Global Digital Innovation Centre established in Hyderabad

As part of its ongoing initiatives for capability-building, the Company established a Digital Innovation Center (DIC) in March 2016, which will be driven by Incessant Technologies. This Centre, spread over 55,000 sqft in Q City, the most vibrant IT corridor in Hyderabad, will provide a global platform for research and technological development to tap new market opportunities for Digital Integration and serve as a hub for innovative thinking with state of the art IT infrastructure, Internet of Things (IoT) labs, digitally enabled training rooms, and world class video conferencing facilities to operate seamlessly in today's connected world.

Human resources

As on 31st March 2016, the Company had a total of 9,476 NIITians, as its employees are often referred to, up from

8,494 a year ago. Attrition rate for FY2016 was 12.7%, a noticeable improvement from 15.8% in the previous year. NIIT Technologies offers its employees a world class infrastructure, a harmonious work culture, competitive compensation, high quality training, and avenues for career development as well as the opportunity to work on exciting projects and new technologies. During the year under review, the Company was recognized as one of India's "50 Best IT-BPM Company to Work For in 2015" by the 'Great Place To Work@ Institute'. Additionally, the Company has also been named among the "Top 5 large organizations" in the IT-BPM domain which include companies having over 5000 employees. The Company is a people centric organization with a rewards & recognition philosophy that focuses on fostering a culture of appreciation, encouraging value creation, and promoting innovation at the workplace.

Outlook

Macro-economic data coming in from around the world, including the US, the UK, and the Eurozone indicates moderation amidst increased uncertainty. In the backdrop of this macroeconomic environment, the Company has been able to acquire new customers, win new large deals, and expand its deal pipeline on the back of its strategy to Focus and Differentiate, and capabilities in Digital Services. The Company expects continued growth in the Digital Services space as it capitalizes on the opportunities presented and that in turn is likely to drive overall growth.

Related party transactions

Related Party transactions are defined as transactions of the Company with the Promoters, Directors or the Management, their subsidiaries or other related parties who may have a potential conflict with the interests of the Company at large. All transactions covered under related party transactions were regularly ratified and/or approved by the Board, the guiding principles being arm's length, fairness and transparency. The details of related party transactions are given in the Notes to Accounts section.

Risk and risk mitigation

The Company's operations and engagements are global in nature and thus its business, financials, and operating performance may be affected or impacted by a number of factors. Some such challenges and risks that would have to be addressed and/or managed, as well as the Company's approach towards mitigating them, are discussed below. This may not be an all-inclusive list of factors and neither is this necessarily in order of importance, and some presently not known or deemed immaterial uncertainties could emerge in the future.

Execution risks: The Company pursues and has entered into multiple large and transformational engagements across geographies. Some such engagements are at times priced on a fixed-bid/price basis, and any inability to adhere to delivery schedules or quality could have an adverse impact. The Company does

have a strong track record of undertaking and delivering complex programs, and has also made investments to strengthen its project/program management capabilities. It follows global standards of development, including an ISO 9001:2000 certification, assessment at Level 5 of SEI-CMMi frameworks and BS 7799 information security management certification.

Competition-related risk: The Company operates in the highly competitive global IT services and solutions market, against several Indian and foreign players present in many of its target markets. In addition to that, setting up offshore delivery centres in India by some global IT players, pose a challenge to the Company's efforts to attract and retain talent from a limited supply pool of skilled human resources in the country. The Company's differentiated business model, recognition in the market place as a competent solutions provider, domain specialization, IP assets, and long-standing relationships with several key clients have been enabling it to deliver growth in a highly competitive environment. The Company intends to stay the course in terms of following its strategy to Focus and Differentiate. It also has an active marketing program and has established relationships with various industry analyst firms worldwide, and frequently participates in or organizes IT conferences and industry-specific events attended by CIO's and executives of major corporations. The Company is also well-regarded for its people practices. These factors are expected to support the Company's efforts to maintain its competitive edge in the market.

Concentration risks: NIIT Technologies has a relatively diversified geographic and client mix, and the Company has been able to ensure that it does not become too dependent on any particular geography or client. North America, EMEA (Europe & Middle East), and Rest of the World (including Asia-Pacific and India) contributed 46%, 34%, and 20% of revenues respectively, during FY2016. The Company's also has a broadbased clientele, with the Top 10 customers contributing about 44% of FY2016 revenues.

Employee-related risks: Employee attrition and/or constraints in the availability of skilled human resources could pose a challenge as the Company undertakes measures for continued business growth. NIIT Technologies has a healthy and harmonious work environment, and has initiated multiple steps aimed at strengthening its recruitment processes, aligning employees with organizational values and vision, and retention of the best talent. It also offers world class infrastructure, an excellent work culture, competitive salaries constantly benchmarked to the market, high quality training, avenues for career development and long term growth prospect in order to remain an employer of choice.

M&A execution risks: The Company has chosen organic and inorganic routes to grow exponentially in the future years, and in the process the Company may be exposed

to risks such as increase in cost on account of staffing/ advisory fees, due diligence lapses and practical challenges in integration. NIIT Technologies follows a strategic approach in pursuance of its M & A activities and many of the risks are mitigated by restricting the choice of target companies by applying certain rigorous selection criteria as also by proper resourcing of the integration efforts. The Company also uses teams of experts for conducting due diligence, thereby reducing the risk of lapses.

Exchange rate risk: Given that the Company's revenues tend to be denominated in multiple currencies that include the US dollar, British pound sterling, and the Euro, fluctuations in foreign currency exchange rates could have an impact on the Company's performance. The functional currencies for the Company and its subsidiaries' operations are the respective currencies of the countries in which they operate. The Company actively books foreign exchange forward covers/ derivative options to hedge against foreign currency fluctuations related to its bills receivables and anticipated realisations from projected revenues. In accordance with its risk management policies and procedures, the Company uses derivative instruments such as foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecasted transactions. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value and are re-measured at a subsequent reporting date, with changes in the fair value of the derivatives (that is, gain or loss, net of tax impact) recognized directly in shareholders' funds under hedging reserve to the extent considered highly effective. Gain or loss on derivative instruments that either does not qualify for hedge accounting or not designated as cash flow hedges or designated cash flow hedges to the extent considered ineffective are recognized in the Statement of P&L. Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, or exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognized in shareholder's funds under hedging reserve is retained there until the forecasted transaction occurs, after which the same is adjusted against the related transaction. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholder's fund is transferred to Statement of P&L in the same period.

Liquidity Risk: NIIT Technologies has a robust process for contract evaluation, multiple-vetting procedures,

and strong account management processes & systems for collection of receivables. It also shares long term relationships with many of its clients and monitors projects on a regular basis, tracking issues relating to cost escalations.

Investment portfolio related risks: NIIT Technologies is a profitable, cash-generating company. The Company, as a policy, does not prefer to invest its surplus cash in high risk assets such as equities or low liquidity assets like real estate. The primary area of risk for the Company's market exposures are related to the interest rate risk on its investment securities. To mitigate interest rate risk, all surplus funds are invested in appropriate avenues upon a review by the investment committee. All investment decisions are driven by certain guiding principles including the safety of investments, liquidity, and returns.

Obsolescence Risk: The Company operates in a highly dynamic industry, which is exposed to changes in technologies, software, products, method of services delivery, systems, processes, standards etc. The Company has had extensive experience through operations involving multiple aspects of technology like application development, maintenance of new and old applications, software application support, IT Infrastructure management, ERP implementations, managed services, remote infrastructure management, data center management, product sale, platform based services, BPO services, etc. The Company has always adapted to evolving market dynamics and new engagement models, and also has a track record of identifying relevant industry trends and staying ahead of the curve – its foray in emerging areas such as Digital Services and Automation reflects its ability to be market-ready with regard to any shifts in the business landscape.

("The Company" in the context of this report means NIIT Technologies Limited and/or its subsidiaries.)

Important note: Certain statements made in this report relating to the Company's objectives, projections, outlook, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such estimates or projections etc., whether expressed or implied. Several factors including but not limited to climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc., over which the Company does not have any direct control, could make significant difference to the Company's operations.

Report on Corporate Governance

OVERVIEW

The Company believes in and has consistently focused on upholding high standards of Corporate Governance. The Company aims to create and adhere to a corporate culture of integrity, transparency and accountability for efficient and ethical conduct of its business. Its Corporate Governance philosophy enables the management team to meet obligations towards stakeholders including customers, employees, shareholders, suppliers, vendors, contractors, creditors, government, the communities around its facilities and society at large.

The Company's Board considers good Corporate Governance to be a key driver of sustainable corporate growth and long term value creation, and exercises its fiduciary responsibilities accordingly. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have been institutionalised. This enables the Company to build and sustain the trust and confidence of its stakeholders, as well as to strengthen the foundations for long-term business success and sustainability.

The names and categories of the Board of Directors alongwith the number of Directorships and Chairmanships/ Memberships of Committees held by them is given hereunder:

Name of the Director & DIN	Category	No of Board Meetings during the Financial Year 2015-16		Whether attended last AGM (August 03, 2015)	No. of Directorships in other Public Companies#		No. of Memberships/ Chairpersonships in other Committees##	
		Held	Attended		Member	Chairperson	Member	Chairperson
Mr. Rajendra S Pawar (00042516)	Executive – Chairman & Managing Director	6	6	Yes	03	01	01	-
Mr. Arvind Thakur (00042534)	Executive - Jt. Managing Director & Chief Executive Officer	6	6	Yes	02	01	01	-
Mr. Vijay K Thadani (00042527)	Non Executive Promoter	6	6	Yes	05	-	03	01
Mr. Amit Sharma (00050254)	Non Executive- Independent	6	6	Yes	03	-	01	-
Mr. AshwaniPuri (00160662)	Non Executive- Independent	6	6	Yes	01	-	01	01
Mr. Surendra Singh (0000337)	Non Executive- Independent	6	6	Yes	04	-	05	02
Ms. Holly Jane Morris (06968557)	Non Executive- Independent	6	4	No	-	-	-	-

Note :

#The above given information is excluding private, foreign and Companies incorporated under Section 8 of the Companies Act, 2013.

Committee for this purpose only includes Audit Committee and Stakeholders' Relationship Committee.

During the Financial Year under review (FY2016), the Company duly addressed the requirements and guidelines pertaining to Corporate Governance, as stipulated under the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 and also explored avenues to create a more robust governance mechanism.

BOARD OF DIRECTORS

The Company is managed and controlled through a professional Board of Directors ("Board") comprising of an optimum combination of mandatory Executive, Non-Executive and Independent Directors. The composition of the Board of the Company is in conformity with the provisions of Securities and Exchange Board of India ('SEBI') Listing Obligations and Disclosure Requirements, 2015 (SEBI Listing Regulations) & Companies Act, 2013.

The present composition of the Board comprises of seven (7) Members out of which four (4) Members are Independent Directors, which constitutes more than 50 percent of the total strength of the Board. The Chairman of the Board is Mr. Rajendra S Pawar who is an Executive Director and Ms. Holly Jane Morris, a Woman Director is acting as an Independent Director on the Board of the Company. The composition of the Board of Directors is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

Composition of the Board as on March 31, 2016

Independent Directors	4
Non-Executive Promoter Director	1
Chairman and Managing Director	1
Chief Executive Officer and Joint Managing Director	1
Total	7

All the Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of the Independent Directors is in compliance with the Act. Further, the Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which may affect the independence or judgment of the Directors.

The Board of Directors also review the Compliance Reports periodically pertaining to all laws applicable to the Company.

Board meetings and Directors' attendance

During the year April 1, 2015 to March 31, 2016 the Board met Six times and the gap between two meetings did not exceed one hundred and twenty days. The meetings were held on April 28, 2015, May 05, 2015, July 14, 2015, October 16, 2015, January 15, 2016 & March 21, 2016. The information pertaining to the attendance of Directors in these meetings has been provided above. The Company holds at least four Board meetings in a year, with a maximum time gap of one hundred and twenty days between two meetings. The information as mentioned under Part A of Schedule II of SEBI Listing Regulations has been placed before the Board for its consideration during the year. Board meetings are also convened to address the specific additional requirements of the Company and urgent matters are also approved by the Board by passing resolutions through circulation.

Appointment Letters and Familiarization Program for Independent Directors

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The terms and conditions of the appointment are also placed on the website of the Company. Each newly appointed Director is taken through a familiarization program in terms of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, including the interaction with the Managing Directors & CEO & the Senior Management of the Company covering all marketing, finance and other important aspects of the Company. The Company Secretary briefs the Director about their legal and regulatory responsibilities. The familiarization program also includes interactive sessions with Business and Functional Heads and visit to the Business Centers. The weblink for this is <http://www.niit-tech.com/investors/Familiarization-Programme-Independent-Directors.pdf>

Meeting of Independent Directors

In order to comply with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was also held without the attendance of Non-Independent Directors and the Members of the management.

Code of Conduct

The Company has a well-defined policy, which lays down procedures to be followed by the employees for

ethical professional conduct. The Code of Conduct has been laid down for all the Board Members and Senior Management of the Company. The Board members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the year 2015-16. This Code has been displayed on the Company's website.

Board Committees

With a view to have a more focused attention on business and for better governance and accountability, the Board has the following mandatory Committees:

- a. Audit Committee
- b. Stakeholders Relationship Committee
- c. Nomination and Remuneration Committee
- d. Corporate Social Responsibility Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and are tabled at the Board Meetings for noting of the Board Members.

Audit Committee

The Company has a duly qualified and Independent Audit Committee in accordance with Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The composition of the Audit Committee and details of the Meetings and attendance during the FY2015-16 are as under:

Name of the Committee member	Category	Designation	Number of meetings during the Financial Year 2015-16		Dates of meetings held during the year
			Held	Attended	
Mr. Ashwani Puri	Independent Director	Chairman	6	6	April 15, 2015
Mr. Surendra Singh	Independent Director	Member	6	6	May 04, 2015
Mr. Vijay K Thadani	Non-Executive Promoter Director	Member	6	6	July 13, 2015
Mr. Amit Sharma	Independent Director	Member	6	6	October 15, 2015 January 14, 2016 March 21, 2016

All the Members of the Audit Committee have the requisite qualification for appointment as a Member of the Committee and possess sound knowledge of finance, accounting practices and internal controls. The Chairperson of the Audit Committee is an Independent Director and the Company Secretary acts as Secretary to the Committee. The Audit Committee also invites the Chief Financial Officer (Head of Finance), Internal Audit Head and representatives of Statutory Auditors and such Executives as it considers appropriate at its Meetings.

The terms of reference of the Committee are provided hereinbelow:

The Committee is responsible for the effective supervision of the financial reporting processes to ensure proper disclosure of financial statements, their credibility, and compliance with the Accounting Standards, Stock Exchanges and other legal requirements, reviewing with internal and external audit and internal control systems, assessing their adequacy ensuring compliance with internal controls; reviewing findings of the Internal Audit, reviewing the Company's financial and risk management policies and ensuring follow up action on significant findings, and reviewing quarterly, half yearly and yearly annual accounts. It acts as a link between Statutory and Internal Auditors and the Board of Directors of the Company. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee reviews information as specified in Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Meetings held and attendance during the FY 2015-16:

The particulars of the meeting attended by the Member of the Nomination and Remuneration Committee and the date of the Meetings held during the year are given below:

Name of the Committee member	Category	No. of meetings during the Financial Year		Dates of meetings held during the year
		Held	Attended	
Mr. Amit Sharma	Non-Executive Independent Director	5	5	May 05, 2015 May 25, 2015 July 13, 2015
Mr. Surendra Singh	Non-Executive Independent Director	5	4	October 15, 2015 January 14, 2016
Mr. Vijay K Thadani	Non-Executive Promoter Director	5	5	

The Chairman of the Committee is an Independent Director.

The Charter/terms of reference of Nomination and Remuneration Committee is in terms of the Companies Act, 2013 & Part II of Schedule D of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, which, inter alia deals with the manner of selection of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and their remuneration and to frame a policy to implement the same. The Committee

is responsible for framing policies and systems for the Stock Options Plan, as approved by the shareholders. The role of the Committee was enhanced to include formulation of criteria for Evaluation of every Director's performance, recommend to the Board, plans and process for succession for appointments to the Board and Senior Management & devising a policy on Board Diversity.

Criteria of performance evaluation of Independent Directors cover preparation, participation, conduct & effectiveness of their functioning.

Details of Remuneration paid to Directors during the year April 1, 2015 to March 31, 2016

A. Executive Directors

Name of the Director	Mr. Rajendra S Pawar	Mr. Arvind Thakur
Salary and Allowances	12,881,815	15,527,005
Part – A	631,891	893,100
Perquisites		
Part – B	1,751,568	2,140,741
Contribution to Provident Fund, Superannuation Fund or Annuity Fund		
Performance- linked Bonus*	4,860,400	5,814,700
*Paid during the year pertaining to the year 2014-15		
Total	20,125,674	24,375,546

Service Contracts: The current term of Mr. Rajendra S Pawar and Mr. Arvind Thakur will expire on May 31, 2019.

Notice period: 6 months, unless otherwise agreed by the Board

Severance Fees: No severance fees, unless otherwise agreed by the Board

Performance criteria: As determined by the Nomination and Remuneration Committee and the Board.

During the year, Mr. Arvind Thakur was granted the following Stock Options:

No. of Stock Option granted	Price (Rs.)	Vesting Period
2,00,000	493.60	20% each year over a period of Five years

B. Non-Executive Directors

The criteria for payment to Non-Executive Directors is provided herein below:

The Board in its meeting held on May 26, 2009 (for Directors in India) & July 14, 2015 (for Foreign Director) and the Shareholders of the Company at the Annual General Meeting held on July 7, 2014 had approved the payment of Commission to Non-Executive Directors upto an amount not exceeding 1% of the net profits of the Company (computed in the manner referred to in Section 198 of the Companies Act, 2013), per annum.

The Shareholders had empowered the Board of Directors to decide the appropriate quantum of Commission. In addition to this, the Non-Executive Directors are paid sitting fees amounting to Rs. 20,000/- for attending each Board & Audit Committee Meeting only.

The details of remuneration (Commission and sitting fees) paid to Non-Executive Directors is provided below:

Particulars	Mr. Vijay K Thadani (Rs.)	Mr. Surendra Singh (Rs.)	Mr. Amit Sharma (Rs.)	Mr. Ashwani Puri (Rs.)	Ms. Holly Jane Morris (USD)
Commission	700,000	700,000	800,000	750,000	32,000
Sitting Fees	240,000	240,000	240,000	240,000	4,000

Details of Equity shares held by Non-Executive Directors

The details of equity shareholding of Non-Executive Directors as on March 31, 2016 are provided below:

Name	Number of shares held
Mr. Vijay K Thadani	1857*
Mr. Surendra Singh	NIL
Mr. Amit Sharma	55705
Ms. Holly Jane Morris	NIL
Mr. Ashwani Puri	NIL

*Break-up of Equity shareholding:

- 759 equity shares in the name of Vijay K Thadani – HUF
- 100 equity shares in the name of Mr. Vijay K Thadani & Ms. Renuka Thadani
- 998 equity shares in the name of Ms. Renuka Vijay Thadani & Mr. Vijay K Thadani.

The Company has not granted any shares under the ESOP Scheme 2005 to any Independent Director of the Company.

NOMINATION & REMUNERATION POLICY

Preamble

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of a listed company shall constitute the Nomination and Remuneration Committee (“Committee”) consisting of three or more Non-Executive Directors out of which not less than one-half shall be independent directors. The Company has already constituted the Committee comprising three Members, two of whom are Independent Directors.

Further, the Committee is required to devise a policy to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel and other employees. This policy shall also act as a guideline for determining, inter alia, qualifications, positive attributes and independence of a Director, matters relating to appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

Objective

The policy is framed with following key objectives:

1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
2. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
3. That the remuneration to Directors, Key Managerial Personnel (KMP), and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and achievement of its goals.
4. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration.
5. To formulate the criteria for evaluation of Independent Directors and other Directors on the Board.

Applicability

This policy is applicable to:

1. Directors (Executive, Non-Executive and Independent)
2. Key Managerial Personnel (KMP)
3. Senior Management Personnel

Definitions

- i) **“Act”** means the Companies Act 2013 as amended from time to time.
- ii) **“Board”** means the Board of Directors of the Company.
- iii) **“Company”** means NIIT Technologies Limited.
- iv) **“Employee Stock Option”** means the stock options given to the directors, officers or employees of a Company or of its Holding Company or Subsidiary Company or Companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for the shares of the Company at a future date at a pre-determined price.
- v) **“Executive Director”** means the Managing Director and Whole-time Directors of the Company.
- vi) **“Independent Director”** means a director referred to in Section 149 (6) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- vii) **“Key Managerial Personnel”** or **“KMP”** means

Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder. As per Section 203 of the Companies Act, 2013, the following are Wholtime Key Managerial Personnel:

- a) Managing Director or Chief Executive Officer or the Manager and in their absence a Whole time Director;
- b) Company Secretary; and
- c) Chief Financial Officer
- viii) **“Non-Executive Director”** means the Director other than the Executive Director and Independent Director.
- ix) **“Senior Management Personnel”** for this purpose shall mean employees of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the Executive Director(s), including the functional /vertical heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Appointment and Removal of Director, KMP and Senior Management Personnel

1. Appointment criteria and qualifications

- a) Subject to the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, other applicable laws, if any, and the Company’s Policy, the Nomination and Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not

exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- i) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each. Such Independent Director after completion of these two terms shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director; provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- ii) At the time of appointment of Independent Director, it should be ensured that the total number of Boards on which such an Independent Director serves is restricted to:
 - (a) seven listed companies as an Independent Director **OR**
 - (b) three listed companies as an Independent Director in case such a person is serving as a Whole-time Director of any listed company.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals; but at least once a year.

4. Removal

Due to reasons of disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing for removal of a Director, KMP and Senior Management Personnel subject to the provisions and compliance of the applicable laws, rules and regulations.

5. Retirement

The Directors shall retire as per the applicable provisions of the Companies Act, 2013. All other KMP and Personnel of Senior Management shall retire as per the prevailing policy of the Company. The Board will have the discretion to retain the Directors and KMP in the same position/remuneration or other wise even after attaining the retirement age, in the interest and for the benefit of the Company.

Policy for remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director/Whole-time Directors, shall

be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

- b) The Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.
- c) If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Whole-time Director in accordance with the provisions of the Companies Act, 2013 and if in variance with such provisions, then with the prior approval of the Central Government.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and Rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. The Committee, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).
- d) Any remuneration paid to Non- Executive/ Independent Directors for services rendered which are professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional;
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the Company's Policy.
- b) The Committee shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

4) Other General Provisions:

- a) The CEO/ CPO shall make Annual presentation of the performance and compensation for the other KMP and Senior Management Personnel. The proposed compensation policy for these executives for the forthcoming year will also be presented. The Committee shall discuss the details and give its inputs to help the CEO to finalise the policy for adoption by the Company.
- b) The CEO along with CPO shall constitute an HR Steering Committee for reviewing the remuneration of all other employees.
- c) Where any insurance is taken by the Company on behalf of its Whole-time Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Amendments

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s) and circular(s) etc.

Policy on Board Diversity

The Nomination and Remuneration Committee has devised the policy on Board diversity to provide for having a broad experience and diversity on the Board.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Corporate Social Responsibility and Stakeholders Relationship Committees. The evaluation was done based on one to one interactions which covered various aspects of Board's functioning and its Committees, Board Effectiveness, Key Stakeholders connect, Ethics and Compliances, Evaluation of Company's Performance, Project Management and Internal Control and Audits.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, effective participation in Board/Committee Meetings, independence of judgement, safeguarding the interest of the Company and its minority shareholders, providing of expert advice to Board, provide deliberations on approving related party transactions etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, the Company has a duly constituted "Stakeholders' Relationship Committee". The Stakeholders' Relationship Committee looks into the redressal of complaints of investors.

The Committee has delegated work related to share transfer, issue of duplicate shares, Dematerialisation/Rematerialisation of shares and other related work to Share Transfer Committee which reports to the Committee.

The Stakeholders' Relationship Committee is headed by a Non-Executive Independent Director Mr. Amit Sharma and consists of Mr. Vijay K Thadani and Mr. Arvind Thakur as members. Mr. Lalit Kumar Sharma, Company Secretary &

Legal Counsel is the Compliance Officer of the Company.

Meetings & attendance during the year

The particulars of the meeting attended by the Members of the Stakeholders' Relationship Committee and the date of the meetings held during the year are given below:

Name of the Committee member	Category	Designation	Number of meetings during the Financial Year 2015-16		Dates of meetings held during the year
			Held	Attended	
Mr. Amit Sharma	Independent Director	Chairman	4	4	May 04, 2015
Mr. Arvind Thakur	Executive Director	Member	4	4	July 13, 2015
Mr. Vijay K Thadani	Non-Executive Promoter Director	Member	4	4	October 15, 2015 January 14, 2016

During the year April 01, 2015 to March 31, 2016 the Company received a total of 186 queries/complaints from various Investors/Shareholders' relating to Change of address/Non-receipt of Dividend, Bonus Shares, Annual Report/Change of Bank account details/Transfer of Shares/ Dematerialization of shares, etc. The same were attended to the satisfaction of the Investors.

Details of requests/queries/complaints received and resolved during the Financial Year 2015-16:

Nature	Request/queries received	Complaints Received	Resolved	Unresolved
	Nos.	Nos.	Nos.	Nos.
Change of address	15	-	15	-
Change of bank details	11	-	11	-
Correction in d/w & issue dd	73	-	73	-
Dividend not received	-	8	8	-
Non receipt of annual report/notice	-	1	1	-
Request for annual report	50	-	50	-
Request for bonus shares	6	-	6	-
Request for duplicate share certificates	7	-	7	-
Request for nomination registration	4	-	4	-
Request for share holding details	1	-	1	-
Share certificates lodged for transfer	8	-	8	-
Miscellaneous	2	-	2	-
Total	177	9	186	-

There was no request/query/complaint pending at the beginning of the Financial Year. During the Financial Year, the Company attended most of the Shareholders'/Investors' requests/queries/complaints within 10 working days from the date of receipt. The exceptions have been

for cases constrained by procedural issue/ disputes or legal impediments etc. **There was no request/query/complaint pending at the end of the Financial Year.**

Corporate Social Responsibility (CSR) Committee

In compliance with the provisions of Section 135 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, the Company has a duly constituted "Corporate Social Responsibility Committee".

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- Identification of the initiatives and specification of the projects and programs those are to be undertaken and recommending the same to the Board.
- Identification of CSR projects/programs, which focuses on integrating business models with social and environmental priorities and processes in order to create shared value.
- Preparation of the list of CSR programs which a Company plans to undertake during the implementation year.
- Prepare modalities of execution of the project/ programs undertaken and implementation of schedule thereof.
- Implementation and monitoring progress of these initiatives

The particulars of the meeting attended by the Members of the CSR Committee and the date of the Meeting held during the year are given below:

Name of the Member	Corporate Social Responsibility Committee held on May 04, 2015
Mr. Surendra Singh (Chairman)	Y
Mr. Amit Sharma	Y
Mr. AshwaniPuri	Y
Mr. Arvind Thakur	Y

Y: Attended

OTHER COMMITTEES

The Board has constituted following other Committees:-

1. Operations Committee
2. ESOP Allotment Committee
3. Share Transfer Committee

GENERAL MEETINGS

Particulars of the last three Annual General Meetings/ Postal Ballot

Annual General Meetings

Year	Location	Date	Day	Time	Special Resolution
2015	Mapple Exotica, Khasra No.123, Chattarpur Mandir Road, Satbari, New Delhi-110 074	August 03, 2015	Monday	09:00 A.M.	NIL
2014	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Sabari, New Delhi -110 074	July 07, 2014	Monday	09:00 A.M.	To approve amendment in existing Article 66 of the Articles of Association of the Company
2013	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110 074	July 01, 2013	Monday	09:00 A.M.	NIL

Postal Ballot

The Company has not conducted Postal Ballot during the year 2015-16.

Means of Communication

- a. The quarterly/half yearly/annual results are published in the leading English and Hindi Newspapers (the details of the publications are given hereunder) and also displayed on the website of the Company www.niit-tech.com where official news releases, financial results, consolidated financial highlights, quarterly shareholding pattern and presentations made to institutional investors or to the analysts are also displayed.
- b. The Company had Quarterly/Annual Earnings Calls on May 05, 2015, July 14, 2015, October 16, 2015, January 15, 2016 and Press Conferences in the months of May 2015, July 2015, October 2015 and January 2016 for the investors of the Company immediately after the declaration of Quarterly/Annual results. Transcripts/presentations of the quarterly/ annual earnings calls/investors meet are displayed on the Company's aforementioned website, in the 'Investors' section.
- c. The Management Perspective, Business Review and Financial Highlights are part of the Annual Report.
- d. All material information about the Company is promptly uploaded on the website of the Stock Exchanges through designated listing centers and also sent through e-mail to the Stock Exchanges where the shares of the Company are listed, if required.

During the Financial Year 2015-16 the Company published its Financial Results in the following newspapers:

Financial Results	Newspapers	Date of publication
Audited Financial Results for the quarter ended March 31, 2015	Business Standard - English Business Standard- Hindi	May 06, 2015
Unaudited Financial Results for the quarter ended June 30, 2015	Business Standard- English Business Standard- Hindi	July 16, 2015
Unaudited Financial Results for the quarter ended September 30, 2015	Business Standard- English Business Standard- Hindi	October 17, 2015
Unaudited Financial Results for the quarter ended December 31, 2015	Business Standard- English Business Standard- Hindi	January 16, 2016

GENERAL SHAREHOLDERS' INFORMATION

a. Annual General Meeting

Date : Monday, August 01, 2016

Time : 09.00 A.M.

Venue: Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi-110 074.

As required under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, particulars of Directors seeking re-appointment at the forthcoming Annual General Meeting are given in Annexure to Notice.

b. Financial Year

Year ending: March 31, 2016

c. Dividend

The Board of Directors have recommended a dividend of Rs.10/- per Equity Share of Rs.10/- each, subject to approval of the shareholders' at the ensuing Annual General Meeting. The dividend, if declared, shall be paid to the shareholders within 30 days from the date of AGM i.e. on or before August 31, 2016, per the provisions of the Companies Act, 2013. The Dividend, if declared, of Rs10/- per equity share, of face value of Rs.10/- each of the Company, will be paid to those Members whose names appear in the Register of Members or in the records of the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners of the Shares as at the end of business hours on July 25, 2016. Book Closure Date: July 26, 2016 to August 01, 2016 (both days inclusive).

d. Listing of Shares

The Equity shares of the Company are currently listed at the following Stock Exchanges:

i) BSE Limited ('BSE')

Address: 1st Floor, New Trading Ring, Rotunda Building, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400 001

ii) National Stock Exchange of India Limited ('NSE')

Address: Exchange Plaza, 5th Floor, Plot no C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

It is hereby confirmed that the Annual Listing fees for the period April 1, 2016 to March 31, 2017 has been paid to both the Stock Exchanges.

e. Stock Code

NSE : NIITTECH

BSE : 532541

ISIN at NSDL/CDSL : INE 591G01017

f. Market Price Data:

The monthly high and low share prices and market capitalization of Equity Shares of the Company traded on BSE and NSE from April 1, 2015 to March 31, 2016 and the comparison of share prices of the Company vis-à-vis the Sensex and Nifty Indices are given below:

Share price movement during the year April 1, 2015 to March 31, 2016:

Month	Bombay Stock Exchange (BSE)				National Stock Exchange (NSE)			
	Sensex	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs. Mn)	Nifty	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs. Mn)
Apr-15	27011	388.85	348.10	21,341	8182	389.00	348.00	21,418
May-15	27828	424.40	338.05	23,386	8434	427.00	325.55	23,310
Jun-15	27781	410.00	372.00	23,752	8369	410.00	375.00	23,816
Jul-15	28115	517.00	380.00	29,452	8533	516.00	378.75	29,452
Aug-15	26283	539.00	407.30	28,432	7971	539.75	405.10	28,481
Sep-15	26155	487.25	422.00	28,858	7949	485.70	427.20	28,886
Oct-15	26657	610.90	440.60	34,645	8066	610.80	442.00	34,572
Nov-15	26146	632.00	537.15	34,755	7935	631.00	528.95	34,820
Dec-15	26118	614.35	567.00	35,381	7946	614.50	568.60	35,433
Jan-16	24871	594.00	440.75	33,748	7564	593.60	432.25	33,730
Feb-16	23002	559.70	409.00	25,659	6987	559.70	410.10	25,671
Mar-16	25342	520.00	422.10	30,416	7738	520.00	421.95	30,391

*Market Capitalization at closing price of the month

g. Performance of the share price of the Company in comparison to BSE Sensex:

Stock price/ Index	As on March 31, 2015	As on March 31, 2016	% Increase /Decrease
NIIT Technologies Ltd	349.3	496.7	42%
Nifty IT	12083.0	11309.3	-6%
Nifty 50	8491.0	7738.4	-9%
S&P BSE Sensex	27957.5	25341.9	-9%

h. During the year, no securities of the Company were suspended from trading.

i. Registrar for Dematerialisation (Electronic Mode) of shares & Physical Transfer of shares

The Company has appointed a Registrar for dematerialisation and transfer of shares whose details are given below:-

Alankit Assignments Limited

Unit: NIIT Technologies Limited

Alankit Heights RTA Division, 1 E/13, Jhandewalan Extension, New Delhi - 110 055.

Phone Nos. : 011-42541234, 23541234

Fax Nos. : 011-23552001, E-mail : rta@alankit.com

j. Share Transfer System

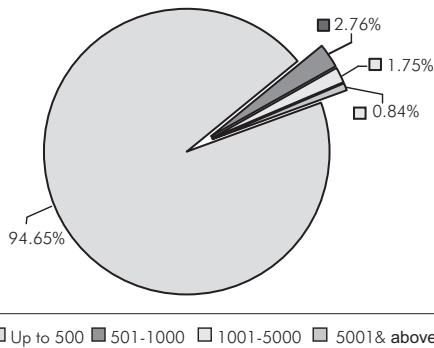
The Company has appointed a common Registrar for physical share transfer and dematerialisation of shares. The shares lodged for physical transfer/ transmission/ transposition are registered within a period of 15 days if the documents are complete in all respects. For this purpose, the Share Transfer Committee (a sub-committee of Stakeholders Relationship Committee of the Board) meets as often as required. During the review period, the Committee met 22 times. Adequate care is taken to ensure that no transfers are pending for more than a fortnight. Physical Shares requested for dematerialisation were confirmed mostly within a fortnight.

k. Distribution of shareholding

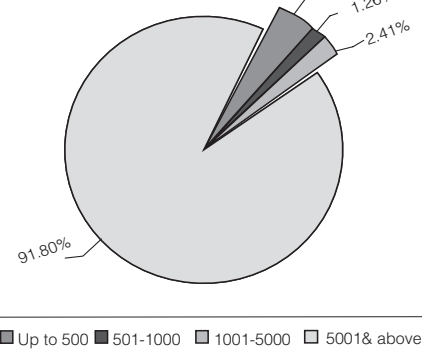
Distribution of shareholding as on March 31, 2016 :

Range (No. of Shares)	No. of Shareholders	% to Total Shareholders	Range (No. of Shares)	Total No. of Shares	% to Total Shares
Up to -500	37286	94.65	Up to -500	2,769,117	4.53
501-1000	1085	2.76	501-1000	770,315	1.26
1001-5000	690	1.75	1001-5000	1,474,450	2.41
5001 & above	332	0.84	5001 & above	56,172,642	91.80
TOTAL	39393	100.00	TOTAL	61,186,524	100.00

No. of Shareholders



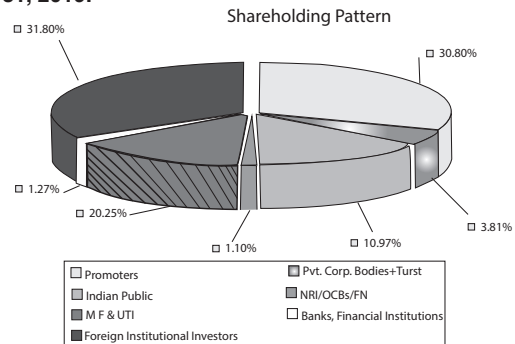
Total No. of Shares



Shareholding Pattern as on March 31, 2016

Category	No. of Shares held (face value of Rs.10/- each)	Percentage of total shareholding
Promoters' Shareholding		
Indian Promoters	18,848,118	30.80
Foreign Promoters	-	-
Total Promoters' Holding	18,848,118	30.80
Public Shareholding		
Mutual Fund and UTI	12,387,685	20.25
Banks, Financial Institutions & Insurance Companies	776,601	1.27
Foreign Institutional Investors	19,459,923	31.80
NRI/Foreign Individuals	672467	1.10
Private Corporate Bodies & Trust	2326792	3.81
Indian Public	6714938	10.97
Total Public Shareholding	42,338,406	69.20
Grand Total	61,186,524	100.00

Categories of Equity Shareholders as on March 31, 2016:



I. Dematerialisation of Shares & Liquidity

The Shares of the Company are compulsorily traded in dematerialised form by all categories of investors. The Company has arrangements with both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), to establish electronic connectivity of the shares for scrip less trading. As on March 31, 2016, 99.46% percent shares of the Company were held in dematerialised form.

Liquidity of shares

The Shares of the Company are traded electronically on the BSE and National Stock Exchange. The Company's shares are included in indices of BSE-500, and Small-mid cap index.

m. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion rate and likely impact on equity

There are no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, which are likely to have an impact on the equity of the Company.

n. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

During the Financial Year 2015-16, the Company had

managed the Foreign Exchange Risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Management Discussion & Analysis Report.

o. Plant Locations

In view of the nature of the Company's business viz., Information Technology (IT) Services and IT Enabled Services (ITes), the Company operates from various offices worldwide.

p. Registered Office:

NIIT Technologies Limited,
8, Balaji Estate, First Floor, Guru Ravi Das Marg,
Kalkaji, New Delhi - 110 019, India
Tel Nos. : +91 11 41675000
Fax: +91 11 41407120
e-mail: investors@niit-tech.com

q. Address for correspondence

The shareholders may address their communication/ suggestions/ grievances /queries to:

The Compliance Officer
NIIT Technologies Limited
8, Balaji Estate, Guru Ravi Das Marg,
Kalkaji, New Delhi – 110 019
Tel No. : +91 11 41675000
Fax : +91 11 41407120
e-mail: – investors@niit-tech.com

r. Equity shares in Suspense Account:

Unclaimed shares

In accordance with the requirement of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in Unclaimed Suspense Account i.e. "NIIT Technologies Limited - Unclaimed Suspense Account" with Alankit Assignments Limited. The details of unclaimed shares of the Company for the year ended March 31, 2016 are as under:

The details of unclaimed shares of the Company for the year ended March 31, 2016 as per Regulation 39 of Listing Regulations, are as under:

S. No.	Particulars	No. of Share-holders	No. of Shares
i.	Aggregate number of shareholders and the outstanding shares lying in Unclaimed Suspense Account at the beginning of the year	222	35664
ii.	Number of shareholders who approached for transfer of shares from Unclaimed Suspense Account during the year	1	252
iii.	Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	1	252
iv.	Aggregate number of shareholders and the outstanding shares lying in Unclaimed Suspense Account at the end of the year	221	35412

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

s. Nomination Facility

The Companies Act, 2013 has provided for a nomination facility to the Shareholders of the Company. The Company is pleased to offer the facility of nomination to Shareholders and Shareholders may avail this facility by sending the duly completed form to the Registered Office of the Company/ Registrar and Transfer Agent of the Company in case the shareholding is in physical form. The shareholders may obtain a copy of the said form from the Registered Office of the Company and in case of demat holdings, the request may be submitted to the Depository Participant.

t. Compliance Certificate

Certificate obtained from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated in Para E of Schedule V of the Listing Regulations, is annexed to this Report.

Statutory Compliance

The Company has a system in place whereby Chief Financial Officer/Chief Executive Officer provides Compliance Certificate to the Board of Directors based on the confirmations received from business heads/ unit heads of the Company relating to compliance of various laws, rules, regulations and guidelines applicable to their areas of operation. The Company takes appropriate steps after consulting internally and if necessary, with independent legal counsels to ensure that the business operations are not in contravention of any laws. The Company takes all measures to register and protect Intellectual Property Rights belonging to the Company.

u. Transfer of Unclaimed/Unpaid amounts to the Investor Education & Protection Fund ('IEPF'):

In terms of Section 205A & 205C of the Companies Act, 1956 and all other applicable provisions, if any, all unclaimed/unpaid dividend remaining unpaid/unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund of the Central Government. During the year the Company has transferred Rs. 2,166,703/- on account of unclaimed in Investor Education and Protection Fund ("IEPF") of the Central Government, pursuant to Rule 3 of the Investor Education and Protection Fund (Awareness & Protection of Investors Rules, 2001). No claim shall lie against the Company for the amount so transferred.

The Shareholders are requested to apply for revalidation/issue of demand drafts for the dividend for the Financial Year ending March 31, 2009 on

or before August 26, 2016 after which any unpaid dividend amount for the Financial Year 2008-2009 will be transferred to Investors Education and Protection Fund (IEPF) by the Company and no claim shall lie against the Company or IEPF after the said transfer.

Information in respect of unclaimed dividend when due for transfer to the Investors Education and Protection Fund (IEPF) is given below:

Financial Year	Types of Dividend	Date of Declaration of Dividend	Due date of transfer
2008-09	Final Dividend	27-07-2009	26-08-2016
2009-10	Final Dividend	09-07-2010	08-08-2017
2010-11	Final Dividend	01-07-2011	30-07-2018
2011-12	Final Dividend	02-07-2012	01-08-2019
2012-13	Final Dividend	01-07-2013	31-07-2020
2013-14	Final Dividend	07-07-2014	06-08-2021
2014-15	Final Dividend	03-08-2015	02-09-2022

v. Compliance Officer

Mr. Lalit Kumar Sharma has been appointed as the Company Secretary w.e.f. June 01, 2015 and is serving as Compliance Officer of the Company. The Compliance officer can be contacted for any shareholder/investor related matter of the Company. The contact no. is +91-120-4285000, Fax no. is +91-120-4285333 and e-mail ID is investors@niit-tech.com.

w. Code for prevention of Insider -Trading Practices

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 on Prevention of Insider Trading, the Company has laid down a comprehensive Code of Conduct to regulate, monitor and report trading in the shares of the Company, by its employees and other connected persons. The Company has also laid down a Code on Fair Disclosure which deals with the practices & procedures for fair disclosure of unpublished price sensitive information. The Code(s) lays down guidelines for fair disclosure of unpublished price sensitive information and advises the persons covered under the said Code(s) on procedures to be followed and disclosures to be made, while dealing with shares of the Company and advising them of the consequences of violations. The URL of the same is :<http://www.niit-tech.com/sites/default/files/Code%20for%20Fair%20Disclosure.pdf>

x. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carries out quarterly Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paidup capital is in agreement with the total number

of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

y. Subsidiary Companies

In order to comply with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on material subsidiaries and posted the same on the website of the Company.

At present, the Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous Financial Year.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee/Board Meetings of Subsidiary Companies are placed before the Board members at the subsequent Board Meetings.

z. Disclosure of Accounting Treatment of Financial Statements of the Company

These Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 the Companies (Account) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of National Finance Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these Financial Statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of Company's business 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 and non-current classification of assets and liabilities.

OTHER DISCLOSURES

a. Related Party Transactions

There are no materially significant related party transactions of the Company which have a potential conflict with the interests of the Company at large. The related party transactions (as per Accounting Standard 18) of the Company in the ordinary course of business during the year April 1, 2015 to March 31, 2016 are reported under Note 37 of the Financial Statements.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The same, as per the provisions of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, were placed before the Audit Committee of the Company and are regularly/periodically ratified and/or approved by the Board/Audit Committee. For further details, please refer to Notes, forming part of the Balance Sheet of the Company.

Related Party Transactions Policy

The Board has approved a policy for related party transactions which has been uploaded on the Company's website – www.niit-tech.com/investors/policysummarized.pdf

b) Strictures and Penalties

The Company has complied with the requirements of the Stock Exchange(s)/SEBI and Statutory Authority(ies) on all matters related to the capital market during the last three years. There are no penalties or strictures imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority(ies) relating to the above.

c) Vigil Mechanism/Whistle Blower Policy

In view of the requirement as stipulated by Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, the Company has complied with all the provisions of the Section and has a Whistle Blower Policy duly approved by the Audit Committee to report concerns about unethical behaviour, actual & suspected frauds, or violation of Company's Code of Conduct and Ethics. The Company hereby affirms that no person has been denied access to the Audit Committee.

The policy is uploaded on the website of the Company and the URL for the same is www.niit-tech.com/investors/whistleblowerpolicy.pdf

d) Risk Management Framework

The Company has laid down procedures to inform the Board Members about the Risk assessment and procedures. All the designated officials submit quarterly reports, through online risk management system, which is reviewed periodically to ensure effective risk identification and management.

Internal Control

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

e) Proceeds from the Public issue/Right issue/ Preferential issues etc.

There was no fresh public issue/right issue/preferential issues etc. during the Financial Year 2015-16 (except shares allotted under Employee Stock Option Scheme of the Company).

f) Remuneration of Non- Executive Directors

The Company has defined its criteria of making payment of remuneration to its Non-Executive Directors. The details are stated in the section 'Remuneration Policy' of the report.

g) Management Discussion and Analysis

There is a separate part on Management Discussion and Analysis in the Annual Report.

h) Inter-se relationship between Directors

There is no inter-se relationship between Directors of the Company.

i) The Company is having the following policies as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

1. Policy for Determining 'Material' Subsidiaries. URL for the same is: <http://www.niit-tech.com/sites/default/files/Policy-MaterialSubsidiaries.pdf>
2. Archival Policy on Preservation of Documents of the Company. URL for the same is: <http://www.niit-tech.com/sites/default/files/Archivalpolicyuploaded.pdf>
3. Policy on determination of material/price sensitive information. URL for the same is: <http://www.niit-tech.com/sites/default/files/PolicyonMaterialityofeventsorinformation-uploadedversion.pdf>

Compliance with mandatory and non-mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

a. Mandatory Requirements

The Company has complied with all the applicable mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

b. Non-mandatory Requirements

The Company has adopted following discretionary requirements of Regulation 27 (1) of the SEBI Listing Regulations:

1. Shareholders Rights:

The quarterly and half-yearly Financial Results are published in widely circulated dailies and also displayed on Company's website. The Company sends Financial Statements along with Directors' Report and Auditors' Report to all the Shareholders every year.

2. Modified Opinion(s) in Audit Report

The Company's Standalone and Consolidated Financial Statements are with unmodified audit opinion for the Financial Year ended on March 31, 2016.

3. Separate posts of Chairperson and CEO

During the year 2015-16, the Company continued to have separate persons in the post of Chairperson and CEO.

4. Reporting of Internal Auditor

The Internal Auditor reports to the Audit Committee.

CERTIFICATE RELATING TO COMPLIANCE WITH THE PROVISIONS OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS), REGULATIONS, 2015 IN RELATION TO THE CODE OF CONDUCT FOR DIRECTORS/SENIOR MANAGEMENT

This is to certify that as per SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015:

1. The Code of Conduct has been laid down for all the Board Members and Senior Management and other employees of the Company.
2. The Code of Conduct has been posted on the website of the Company.
3. The Board members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the year 2015-16.

Sd/-

Arvind Thakur

Dated: May 06, 2016
Place : Noida

**Chief Executive Officer
& Jt. Managing Director**

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 17(8) & PART B OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

To,
The Board of Directors
NIIT Technologies Limited
8, Balaji Estate, Guru Ravi Das Marg,
Kalkaji, New Delhi – 110 019

We hereby certify that for the Financial Year 2015-16

1. We have reviewed the Financial Statements and the Cash Flow Statement and that to the best of our knowledge and belief:-
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2015-16 which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, if any, of which we are aware, in the design or operation of the internal control systems and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:-
 - a. significant changes, if any, in internal control over financial reporting during this year.
 - b. significant changes, if any, in accounting policies during this year 2015-16 and that the same have been disclosed in the notes to the Financial Statements; and
 - c. instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Arvind Thakur
**Chief Executive Officer
& Jt. Managing Director**

Sd/-

Amit Kumar Garg
Chief Financial Officer

Dated: May 06, 2016
Place : Noida

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by NIIT Technologies Limited, for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/
Anupam Dhawan
Partner

Membership No: 084451

For and on behalf of Price Waterhouse
Chartered Accountants (FRN301112E)

Dated: May 06, 2016
Place : Noida

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NIIT Technologies Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of NIIT Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, 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 Standalone Financial Statements

2. 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 standalone financial statements to 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 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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 auditors' 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 financial 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 standalone 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 A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Note 24;
 - ii. The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 6, 10 and 42;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place : Noida
Date : May 06, 2016

Anupam Dhawan
Partner
Membership Number 084451

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of NIIT Technologies Limited on the standalone financial statements for the year ended March 31, 2016

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

1. We have audited the internal financial controls over financial reporting of NIIT Technologies Limited ("the Company") as of March 31, 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

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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 dispositions of the assets of the company; (2) provide reasonable 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. 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

8. 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 March 31, 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 Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Anupam Dhawan
Partner

Membership Number 084451

Place: Noida
Date: May 06, 2016

Annexure B Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Technologies Limited on the standalone financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 11 on fixed assets to the financial statements, are held in the name of the Company.
- ii. According to the information and explanations given to us, the Company procures inventories specifically for the purpose of executing certain contracts and there is no inventory lying with the management or in transit as at the year end.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investment, or provided any guarantee or security to the parties covered under section 185.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, service tax, and value added tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, duty of excise which have not been deposited on account of any dispute. The particulars of dues of income tax and value added tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount(Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Interest	31,038,133 17,390,185	Assessment Year 2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Interest	101,587,713 51,477,011	Assessment Year 2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Interest	7,452,835 1,770,798	Assessment Year 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Interest	67,757,486 20,851,525	Assessment Year 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Interest	439,716 111,484	Assessment Year 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Interest	10,401,805 7,102,295	Assessment Year 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Interest	8,042,832 5,101	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax Penalty	3,100,140 2,798,994	January 1, 2013 to March 31, 2015	Appellate Deputy Commissioner of (Commercial Tax)

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Technologies Limited on the standalone financial statements for the year ended March 31, 2016

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution as at the balance sheet date. The Company does not have borrowing from Bank and also the Company has not issued any debentures as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. 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.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place: Noida
Date: May 06, 2016

Anupam Dhawan
Partner
Membership Number 084451

NIIT Technologies Limited,
(CIN: L65993DL1992PLC048753)
Balance Sheet

(All amounts in Rs., unless otherwise stated)

	Note		As At March 31, 2016	As At March 31, 2015
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	3	611,865,240		610,448,990
Reserves and surplus	4	10,864,437,095	11,476,302,335	9,588,001,348
Non-current liabilities				
Long-term borrowings	5	59,500,155		46,202,640
Long-term provisions	6	592,563,377	652,063,532	429,164,112
Current liabilities				
Short term borrowings	7	-		200,000,000
Trade payables	8			
Total outstanding dues of micro enterprises and small enterprises				-
Total outstanding dues of creditors other than micro enterprises and small enterprises		943,276,979		1,299,273,787
Other current liabilities	9	997,183,539		1,237,549,994
Short-term provisions	10	1,232,133,219	3,172,593,737	1,136,494,656
TOTAL			15,300,959,604	14,547,135,527
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets				
Tangible assets	11	4,693,937,232		3,102,308,350
Intangible assets	12	530,526,462		655,366,878
Capital work-in-progress		6,917,035		1,160,001,019
			5,231,380,729	4,917,676,247
Non-current investments	13		3,457,892,406	2,107,520,919
Deferred tax assets (net)	14		56,864,470	260,139,234
Long-term loans and advances	15		794,897,727	495,360,663
Other non-current assets	16		95,675,139	99,399,741
Current assets				
Current investments	17	630,000,000		231,883,311
Inventories	18	-		82,355,123
Trade receivables	19	2,506,989,447		4,419,892,889
Cash and bank balances	20	1,041,462,740		735,251,453
Short-term loans and advances	21	1,072,104,577		786,827,872
Other current assets	22	413,692,369	5,664,249,133	410,828,075
TOTAL			15,300,959,604	14,547,135,527

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

Place : Noida
Date : May 6, 2016

NIIT Technologies Limited
(CIN: L65993DL1992PLC048753)
Statement of Profit and Loss

(All amounts in Rs., unless otherwise stated)

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from operations	26	14,678,083,299	13,460,913,193
Other income	27	410,958,766	224,152,897
Total revenue		15,089,042,065	13,685,066,090
Expenses			
Purchase of stock-in-trade		223,320,554	886,962,098
Changes in inventories of stock in trade	28	82,355,123	(34,407,053)
Employee benefits expense	29	8,467,069,469	7,201,923,624
Finance costs	30	43,102,192	46,465,338
Depreciation and amortization expense	31	828,357,822	665,197,982
Other expenses	32	3,199,813,587	3,105,105,207
Total expenses		12,844,018,747	11,871,247,196
Profit before exceptional and extraordinary items and tax		2,245,023,318	1,813,818,894
Exceptional items	33	6,457,992	134,780,290
Profit before tax		2,238,565,326	1,679,038,604
Tax expense			
Current tax	40	375,140,489	525,869,651
Deferred tax	14	240,902,889	(180,810,733)
Minimum Alternate Tax Credit	40	(317,625,487)	(141,924,532)
Profit for the period from continuing operations		1,940,147,435	1,475,904,218
Profit for the year		1,940,147,435	1,475,904,218

Earnings per equity share: [Nominal value per share: Rs.10 (Previous year: Rs.10)]

	39		
Basic		31.75	24.25
Diluted		31.57	24.12

The accompanying notes are an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

NIIT Technologies Limited
Cash Flow Statement

(All amounts in Rs., unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation and exceptional items	2,245,023,318	1,813,818,894
Adjustments for :		
Depreciation and amortization expense	828,357,822	665,197,982
Unrealised foreign exchange loss (net)	(2,348,797)	25,342,199
Provision for compensated expenses	109,267,260	54,679,739
Provision for contract warranties (net)	30,818,922	99,222,625
Provision for estimated loss on completion (net)	-	243,708,465
Provision for liquidated damages (net)	57,227,943	125,635,378
Employee stock option scheme	9,301,680	11,514,313
Provision for doubtful debts (including written off) (net)	25,712,737	46,762,322
Provision for Unbilled revenue (including written off) (net)	67,392,617	24,831,202
Interest expenses	34,372,155	34,531,901
Interest income	(15,461,408)	(17,988,589)
Dividend income	(222,500,000)	(89,000,000)
Loss on sale / write off of tangible/intangible assets (net).	9,995,013	5,372,687
Profit on sale of investment (net)	(16,983,966)	(54,196,788)
Operating profit before working capital changes	<u>3,160,175,296</u>	<u>2,989,432,330</u>
Add / (less) : (increase)/decrease in working capital		
Trade receivables	1,885,835,069	(183,989,685)
Long-term loans and advances	(18,245,863)	4,996,725
Other non-current assets	3,724,602	(10,126,388)
Short-term loans and advances	(85,451,492)	68,881,140
Other current assets	(100,546,911)	(13,917,807)
Inventories	82,355,123	(34,407,053)
Trade payable	(357,659,036)	514,000,733
Other current liabilities	(231,015,480)	353,406,408
Other-long-term liabilities	-	-
Short-term provision	-	(7,939,492)
Other bank balances	<u>312,069,728</u>	<u>(312,865,259)</u>
Net cash from operating activities before taxes	4,651,241,036	3,367,471,652
Direct Tax paid (including tax deducted at source)	<u>(574,965,702)</u>	<u>(562,748,145)</u>
Net cash generated from operations before exceptional items	4,076,275,334	2,804,723,507
Exceptional Items[Note 33]	(6,457,992)	(384,780,290)
Net cash generated from operation (A)	4,069,817,342	2,419,943,217
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets (includes capital work in progress)	(1,145,308,181)	(1,590,876,385)
Proceeds from sale of tangible and intangible assets	7,847,959	10,080,959
Investment in subsidiary	(1,350,371,487)	(625,300,000)
Investment in subsidiary received back	-	1,969,500
Short term investments with mutual funds		
- Value of units purchased	(4,067,943,191)	(5,597,471,996)
- Value of units sold	<u>3,686,810,468</u>	<u>(381,132,723)</u>
Dividend income	222,500,000	89,000,000
Interest received on bank deposits and income tax refund	<u>19,713,482</u>	<u>19,291,413</u>
Net cash used in investing activities (B)	(2,626,750,950)	(1,872,967,242)

NIIT Technologies Limited
Cash Flow Statement

(All amounts in Rs., unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including share premium and share application)	46,197,902	66,195,723
Term loans		
-Received	58,958,259	42,128,429
-Repaid	<u>(42,618,435)</u>	<u>(45,520,301)</u>
Loan from subsidiary/(Loan repaid to subsidiary)	(200,000,000)	(15,000,000)
Interest paid on borrowings	(34,372,155)	(34,978,516)
Dividend paid (including corporate dividend tax)	(652,950,948)	(623,774,189)
Net cash (used in) financing activities	(C)	(610,948,854)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	(63,972,879)
Cash and cash equivalents at the beginning of the year (refer note 20)	408,701,246	472,674,125
Cash and cash equivalents at the end of the year (refer note 20)	1,026,982,261	408,701,246
	<u>618,281,015</u>	<u>(63,972,879)</u>
Cash and cash equivalents represent		
Cash on hand	65,888	114,219
Cheques, drafts on hand	113,291,476	2,106,751
- Current accounts	913,624,897	406,480,276
	<u>1,026,982,261</u>	<u>408,701,246</u>
Effect of exchange differences on balances with banks in foreign currency	5,810,587	(2,297,653)

Notes:

- 1 The above Cash Flow Statement has been prepared as per the indirect method set out in AS-3 specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- 2 The enclosed notes 1 to 47 form an integral part of the Cash Flow Statement.
- 3 Figures in parenthesis indicate cash outgo.
- 4 Previous year figures have been regrouped/reclassified to conform to current year's classification.

This is the Cash Flow Statement referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

Notes to the financial statements

1 General Information

NIIT Technologies Limited ("the Company") is a leading Information Technology solutions organization, engaged in Application Development & Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz Financial Services, Insurance, Travel, Transportation & Logistics, Manufacturing & Distribution and Government. The Company delivers services around the world directly and through its network of subsidiaries and overseas branches in (the United States of America, Ireland, Belgium and Switzerland). The Company is a public listed company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2 Summary of significant accounting policies

2.1 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. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 the Companies (Account) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of National Finance Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of Company's business 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 and non current classification of assets and liabilities.

2.2 Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses. Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the future benefit from the existing assets beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statement under the head "Other current assets". Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

2.3 Depreciation

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on the technical evaluation done by the management's expert, which are higher than those useful lives specified under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The estimates of useful lives of the assets are as follows:

Asset	Useful life
Leasehold Land	Over the period of lease
Buildings	60 years
Plant and Machinery	
Computers and peripherals	2-5 years
Office Equipment	3-5 years
Other assets	3-15 years
Furniture and Fixtures	7-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

2.4 Intangible Assets

(a) Acquired intangible assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement

Notes to the financial statements

of Profit and Loss. The estimated useful lives of intangible assets are as follows:

Asset	Useful life
Computer Software-external	3 Years
Goodwill	3 Years

Project specific softwares are amortized over a period of the project's duration.

(b) Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- There is an intention to complete the asset
- There is an ability to use or sale the asset
- The asset will generate future economic benefits
- Adequate resources are available to complete the development and to use or sell the asset
- The expenditure attributable to the intangible asset during development can be measured reliably.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use and it is amortised on a straight line basis over the estimated useful life.

2.5 Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.7 Inventories

Inventories are stated at lower of costs and net realizable value. Cost is determined using first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of purchase and the estimated cost necessary to make sale.

2.8 Revenue Recognition

"Software Services: The Company derives a substantial part of its revenue from time and material contracts where the revenue is recognized on a man month basis. Also, the Company derives revenues from fixed price contracts where revenue is recognized based on proportionate completion method.

The foreseeable losses on the completion of contract, if any, are provided for. Revenues from the sale of software and equipment are recognized when the significant risk and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of trade discount, rebate and sales tax. Sale of services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exist regarding the amount of consideration that will be derived from rendering of services and are recognised net of service tax."

2.9 Other Income

Dividend: Dividend income is recognised when the right to receive dividend is established.

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

Notes to the financial statements

2.10 Employee Benefits

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the 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.

Overseas Employees

In respect of employees of the overseas branches where ever applicable , the Company makes defined contribution on a monthly basis towards the retirement benefit plan which is charged to the Statement of Profit and Loss.

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.

2.11 Foreign Currency Translation

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the monthly average rate.

Subsequent Recognition

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 recognised in the Statement of Profit and Loss.

The operations of the Company's overseas branches in the United States of America, Ireland, Belgium and Switzerland are considered integral operations. The financial statements of an integral foreign operation are translated using the principles and procedures as if the transactions of the foreign operations are those of the Company itself.

2.12 Hedge Accounting

In accordance with its Risk Management Policies and procedures, the Company uses derivative instruments such as foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecasted transactions. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value and are re-measured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss (net of tax impact) is recognized directly in shareholders' funds under hedging reserve to the extent considered highly effective. Gain or loss on derivative instruments that either do not qualify for hedge accounting or are not designated as cash flow hedges or designated as cash flow hedges to the extent considered ineffective are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, or exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognized in shareholder's funds under hedging reserve is retained there until the forecasted transaction occurs subsequent to which the same is adjusted against the related transaction in the Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders fund is transferred to Statement of Profit and Loss in the same period.

2.13 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

Notes to the financial statements

2.14 Current and Deferred tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax ("MAT Credit") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.15 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value."

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.16 Leases

Operating Lease

Lease in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating lease. "

As a lessee: Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis over the term of the related lease agreement.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Employee Stock Option Plan

Equity settled stock options granted under "NIIT Technologies Employee Stock Option Plan 2005" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on a straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the un-amortised portion.

2.19 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.

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
3 Share Capital		
Authorised		
75,000,000 (Previous Year 75,000,000) Equity Shares of Rs. 10/- each	750,000,000	750,000,000
Issued, subscribed and paid up		
61,186,524 (Previous Year 61,044,899) Equity Shares of Rs. 10/- each	611,865,240	610,448,990

a) Reconciliation of number of equity shares

Particulars	Equity Shares			
	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	61,044,899	610,448,990	60,701,174	607,011,740
Add : Equity Shares issued during the year	141,625	1,416,250	343,725	3,437,250
Balance as at the end of the year	61,186,524	611,865,240	61,044,899	610,448,990

b) Right, preference and restrictions attached to equity shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. 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.

c) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

Name of Shareholder	Equity Shares			
	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NIIT Limited	14,493,480	23.69	14,493,480	23.74
Fidelity Management and Research Company A/c Fidelity Advisor Series 1 Fidelity Advisor Small Cap Fund	3,800,000	6.21	3,800,000	6.22
Edgbaston Asian Equity Trust	-	-	3,441,439	5.64
HDFC Trustee Company Limited	3,865,850	6.32	3,400,000	5.57

d) Equity Shares reserved for issue under option

Refer note 45 for details of shares to be issued under the Employee Stock Option Plan.

e) Equity Shares allotted as fully paid up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2016) :

1,935,468 equity shares were issued in the last 5 years under Employee Stock Option Plan as consideration for services rendered by employees (Refer Note 45)"

	As at March 31, 2016	As at March 31, 2015
4 Reserves and surplus		
Capital redemption reserve	16,570,603	16,570,603
Security premium reserve		
Balance as at the beginning of the year	305,315,515	245,914,655
Add: Transferred from stock options outstanding	39,337,675	59,400,860
Balance as at the end of the year	344,653,190	305,315,515
Employee stock options outstanding		
Options granted till date	29,970,445	26,612,832
Add: Compensation for options granted during the year	29,918,916	23,680,914
Less: deferred employee stock compensation	24,474,937	20,323,301
Balance as at the end of the year	35,414,424	29,970,445

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
General reserve		
Balance as at the beginning of the year	1,873,153,558	1,725,563,136
Add: Balance Transferred from statement of profit and loss	-	147,590,422
Balance as at the end of the year	1,873,153,558	1,873,153,558
Surplus in statement of profit and loss		
Balance as at the beginning of the year	7,232,182,872	6,573,324,262
Profit for the year	1,940,147,435	1,475,904,218
Less: Appropriations		
Dividend paid (relating to Previous Year)	251,750	424,800
Corporate dividend tax on above	49,989	72,195
Proposed dividend on equity shares for the year	611,865,240	579,926,541
Corporate dividend tax on proposed dividend on equity shares	102,549,899	72,764,895
Transitional impact consequent to change in useful lives of tangible assets (Refer Note 44)	-	16,266,755
Transferred to general reserve	-	147,590,422
Balance as at the end of the year	8,457,613,429	7,232,182,872
Hedging reserve surplus	137,031,891	130,808,355
Total	10,864,437,095	9,588,001,348
5 Long-term borrowings		
Secured		
Term loans [Refer Note (a) below]		
From Bank	5,197,073	8,190,225
From Financial Institution	54,303,082	38,012,415
	59,500,155	46,202,640
(a) Term loans from Bank and Financial Institution are secured by way of hypothecation of the vehicles financed. The loan amount along with interest are repayable over the period of 3 to 5 years (equal monthly instalments) from the date of sanction of loan.		
6 Long-term provisions		
Provision for compensated absences	372,785,263	306,221,840
Provision for gratuity [Refer Note 29(b)(II)]	25,020,945	-
Provision for estimated loss on completion [Refer Note (a) below]	155,938,988	67,960,049
Provision for contract warranties [Refer Note (b) below]	38,818,181	54,982,223
	592,563,377	429,164,112
(a) Provision for estimated loss on completion		
Balance as at the beginning of the year	67,960,049	-
Adjustments*	87,978,939	-
Additions	-	67,960,049
Balance as at the end of the year	155,938,988	67,960,049
(b) Provision for contract warranties		
Balance as at the beginning of the year	54,982,223	-
Adjustments*	(5,601,271)	-
Additions	-	54,982,223
Amount no longer required written back	10,562,771	-
Balance as at the end of the year	38,818,181	54,982,223

* Amount of Rs. 5,601,271 (Previous Year Rs Nil) and Rs. 82,377,668 (Previous Year Rs. Nil) has been transferred from provision for contract warranties and short term provision for estimated loss on completion, respectively to long-term provision for estimated loss on completion.

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
7 Short term borrowings		
Unsecured		
Loan		
From a related party [Refer note (a) below]	-	200,000,000
	<u>-</u>	<u>200,000,000</u>
(a) The working capital loan amount due with interest of 11.5% p. a. is repayable on or before the end of 12 month.		
8 Trade payables		
Acceptance	3,032,637	57,972,954
Others	940,244,342	1,241,300,833
	<u>943,276,979</u>	<u>1,299,273,787</u>

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

9 Other current liabilities		
Capital creditors	192,756,941	214,494,132
Term loan [Refer Note (a) below]		
From Bank	5,197,073	2,627,846
From Financial Institution	32,454,461	31,981,379
Interest accrued but not due on borrowing	-	5,268,566
Advances from customers	46,564,831	7,322,141
Unclaimed dividend [Refer Note (b) below]	14,480,479	14,438,252
Income received in advance(deferred / unearned revenue)	13,377,330	9,885,590
Employee benefits payable	564,430,770	454,583,959
Statutory dues including provident fund and tax deducted at source	127,921,654	94,081,898
Amount payable to a subsidiary [Refer Note 33]	-	402,866,231
	<u>997,183,539</u>	<u>1,237,549,994</u>

(a) Term loans from Bank and Financial Institution are secured by way of hypothecation of the vehicles financed. The loan amount along with interest are repayable over the period of 3 to 5 years (equal monthly instalments) from the date of sanction of loan.

(b) There are no amounts due for payment to the Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

10 Short-term provisions		
Provision for employee benefits		
Provision for compensated absences	155,861,916	138,179,024
Other provisions		
Proposed dividend on equity shares	611,865,240	579,926,541
Corporate dividend distribution tax	102,549,899	72,764,895
Provision for contract warranties* [Refer note (a) below]	78,000,741	44,240,402
Provision for estimated loss on completion* [Refer note (b) below]	100,992,102	175,748,416
Provision for liquidated damages* [Refer note (c) below]	182,863,321	125,635,378
	<u>1,232,133,219</u>	<u>1,136,494,656</u>

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
(a) Provision for contract warranties		
Balance as at the beginning of the year	44,240,402	7,939,492
Adjustments #	(7,621,354)	-
Additions	41,381,693	44,240,402
Amount used	-	7,939,492
Balance as at the end of the year	<u>78,000,741</u>	<u>44,240,402</u>
(b) Provision for estimated loss on completion		
Balance as at the beginning of the year	175,748,416	-
Adjustments #	7,621,354	-
Additions	-	175,748,416
Amount transferred to long-term provision	82,377,668	-
Balance as at the end of the year	<u>100,992,102</u>	<u>175,748,416</u>
(c) Provision for liquidated damages		
Balance as at the beginning of the year	125,635,378	-
Adjustments **	47,127,224	-
Additions	126,533,480	125,635,378
Amount no longer required written back	116,432,761	-
Balance as at the end of the year	<u>182,863,321</u>	<u>125,635,378</u>

* The Company has made provisions for the above on a best estimate of the conditions prevailing as at the year end. The final amount that would be ultimately payable would be determined only at the time of closure of respective contracts. The Company does not expect any reimbursements in respect of the above provisions.

#Amount transferred from provision for contract warranties to provision for estimated loss on completion.

**Amount transferred from provision for doubtful debts (Refer Note 19)

Notes to the financial statements
11 Tangible Assets
(All amounts in Rs. unless otherwise stated)

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	April 1, 2015	Additions	Disposal	March 31, 2016	April 1, 2015	For the Year	Transitional impact adjusted to opening retained earnings	Disposal/Ad-justments	March 31, 2016	March 31, 2016
Land - Freehold	167,165	-	-	167,165	-	-	-	-	-	167,165
Land - Lease Hold	300,912,075	-	-	300,912,075	27,052,769	3,463,576	-	-	30,516,345	270,395,730
Buildings	1,264,586,279	1,135,764,318	-	2,400,350,597	88,451,190	29,521,481	-	-	117,972,671	2,282,377,926
Plant & Machinery										
-Computers & Peripherals	1,202,491,868	205,183,422	20,525,309	1,387,149,981	744,734,096	229,445,748	-	20,266,291	953,913,553	433,236,428
-Office Equipment	109,812,536	82,555,543	1,129,145	191,238,934	70,407,898	35,785,457	-	786,652	105,406,703	85,832,231
-Others	946,050,471	380,796,447	4,022,924	1,322,823,994	198,377,638	122,843,119	-	3,783,805	317,436,952	1,005,387,042
Furniture & Fixtures	419,740,486	234,862,400	3,749,933	650,852,953	159,561,963	54,801,916	-	3,670,676	210,693,203	440,159,750
Lease Hold Improvements	163,079,643	2,556,530	52,764,528	112,871,645	162,642,895	339,634	-	52,764,496	110,218,033	2,653,612
Vehicles*	204,187,812	73,624,756	29,906,326	247,906,242	57,491,536	29,670,635	-	12,983,277	74,178,894	173,727,348
Total	4,611,028,335	2,115,343,416	112,098,165	6,614,273,586	1,508,719,985	505,871,566	-	94,255,197	1,920,336,354	4,693,937,232

*Includes vehicles financed through loans Gross Block Rs. 167,603,132/-, Net Block Rs.131,559,822/-; hypothecated to financial institutions against term loan (Refer Note No 5 and 9)

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	April 1, 2014	Additions	Disposal	March 31, 2015	April 1, 2014	For the Year	Transitional impact adjusted to opening retained earnings (Refer Note 44)	Disposal/Ad-justments	March 31, 2015	March 31, 2015
Land - Freehold	167,165	-	-	167,165	-	-	-	-	-	167,165
Land - Lease Hold	300,912,075	-	-	300,912,075	23,589,193	3,463,576	-	-	27,052,769	273,859,306
Buildings	1,253,095,737	11,490,542	-	1,264,586,279	64,824,627	23,626,563	-	-	88,451,190	1,176,135,089
Plant & Machinery										
-Computers & Peripherals	753,679,901	465,571,991	16,960,024	1,202,491,868	588,858,749	171,008,684	1,729,523	16,862,860	744,734,096	457,757,772
-Office Equipment	100,514,356	10,804,445	1,506,265	109,812,536	23,297,791	34,101,525	14,514,843	1,506,261	70,407,898	39,404,638
-Others	584,574,127	364,590,425	3,114,081	946,050,471	118,750,796	82,602,884	21,494	2,997,536	198,377,638	747,672,833
Furniture & Fixtures	394,972,014	31,886,747	7,118,275	419,740,486	126,811,963	39,689,439	895	6,840,334	159,561,963	260,178,523
Lease Hold Improvements	175,797,229	206,313	12,923,899	163,079,643	171,540,326	4,026,447	-	12,923,878	162,642,895	436,748
Vehicles*	178,814,458	46,498,965	21,125,611	204,187,812	37,327,081	26,228,108	-	6,063,653	57,491,536	146,696,276
Total	3,742,727,062	931,049,428	62,748,155	4,611,028,335	1,155,000,526	384,747,226	16,266,755	47,294,522	1,508,719,985	3,102,308,350

*Includes vehicles financed through loans amount of Gross Block Rs. 159,039,196/- (Net Block Rs.122,333,151/-); hypothecated to Bank / Financial Institution against term loan (Refer Note No 5 and 9)

Notes to the financial statements

12 Intangible Assets

(All amounts in Rs. unless otherwise stated)

Description of Assets	GROSS BLOCK			AMORTISATION			NET BLOCK	
	April 1, 2015	Additions	Disposal	March 31, 2016	April 1, 2015	For the Year	Disposal / Adjustments	March 31, 2016
Software-External	1,326,951,296	197,645,844	17,988,635	1,506,608,505	692,131,747	308,800,535	17,988,631	982,943,651
Patents	23,152	-	-	23,152	23,152	-	-	23,152
Goodwill	41,057,164	-	-	41,057,164	20,509,835	13,685,721	-	34,195,556
Total	1,368,031,612	197,645,844	17,988,635	1,547,688,821	712,664,734	322,486,256	17,988,631	1,017,162,359

Description of Assets	GROSS BLOCK			AMORTISATION			NET BLOCK	
	April 1, 2014	Additions	Disposal	March 31, 2015	April 1, 2014	For the Year	Disposal / Adjustments	March 31, 2015
Software-External	535,051,519	814,478,622	22,578,845	1,326,951,296	447,946,725	266,763,854	22,578,832	692,131,747
Patents	23,152	-	-	23,152	21,971	1,181	-	23,152
Goodwill	41,057,164	-	-	41,057,164	6,824,114	13,685,721	-	20,509,835
Total	576,131,835	814,478,622	22,578,845	1,368,031,612	454,792,810	280,450,756	22,578,832	712,664,734

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
13 Non-current investments		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
In Subsidiary Companies:		
2,837,887 (Previous Year 2,837,887) Shares having no par value in NIIT Technologies Inc. USA	155,790,698	155,790,698
16,614,375 (Previous Year 16,614,375) Shares of 1 Singapore \$ each fully paid-up in NIIT Technologies Pacific Pte Ltd., Singapore	702,818,750	702,818,750
3,276,427 (Previous Year 3,276,427) Shares of 1 UK Pound each fully paid-up in NIIT Technologies Ltd., UK	204,426,821	204,426,821
890,000 (Previous Year 890,000) Equity Shares of Rs 10/- each fully paid-up in ESRI India Technologies Limited (formerly known as NIIT GIS Limited)	8,900,000	8,900,000
537,900 (Previous Year 537,900) Equity Shares of Euro 1 each fully paid-up in NIIT Technologies GmbH, Germany	184,762,155	184,762,155
50,000,000 (Previous Year 50,000,000) Equity Shares of Rs 10/- each fully paid-up in NIIT SmartServe Limited	500,000,000	500,000,000
1,000,000 (Previous Year 1,000,000) Equity Shares of Euro 1 each fully paid-up in NIIT Airline Technology GmbH Germany	223,813,064	223,813,064
6000 (Previous Year 6000) Ordinary Shares of 1000 AED each fully paid in NIIT Technologies FZ LLC Dubai	63,141,800	63,141,800
5,000,000 (Previous Year 5,000,000) Equity Shares of Rs. 10 each in NIIT Technologies Services Limited	25,000,061	25,000,061
2,064,292 (Previous Year Nil) Equity Shares of Rs. 2 each in Incessant Technologies Limited [Refer Note (a) below]	1,350,371,487	-
10,000 (Previous Year 10,000) Shares of Peso 100 each in NIIT Technologies Philippines Inc	38,867,570	38,867,570
	<u>3,457,892,406</u>	<u>2,107,520,919</u>
Aggregate amount of unquoted investments	3,457,892,406	2,107,520,919

(a) During the year ended March 31, 2016, the Company has acquired controlling stake of 51% of the shareholdings of Incessant Technologies Limited. The acquisition was executed through a share purchase agreement for an upfront cash consideration of Rs. 1,350,371,487. The Company will acquire remaining 49% of the shareholding of Incessant Technologies Limited subject to certain conditions as provided in the Shareholder's Agreement signed between the parties.

(b) During the year ended March 31, 2015, the Ministry of Finance, Canada provided the consent to dissolve NIIT Technologies Ltd., Canada and required documents were filed with the prescribed authorities and consequently, the subsidiary got dissolved during the current year.

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At	As At
	March 31, 2016	March 31, 2015
14 Deferred tax assets (net)	56,864,470	260,139,234

Deferred tax

Break up of deferred tax assets/
liabilities is as follows:

Deferred tax assets / liabilities

	As at	Charged/(Credited)	As at
	April 1, 2015	during the Year	March 31, 2016
Deferred tax assets			
a) Provision for doubtful debts and advances	40,055,085	(16,656,182)	23,398,903
b) Provision for compensated absences, bonus and gratuity	154,259,192	21,516,681	175,775,873
c) Tax impact of expenses charged in the financial statements but allowable in future years under income tax	386,057,769	(193,764,417)	192,293,352
	580,372,046	(188,903,918)	391,468,128
Deferred tax liabilities			
a) Tax impact of expenses not charged in the financial statements but claimed as deduction under income tax	7,746,210	(96,096)	7,650,114
b) Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation.	249,981,871	46,728,406	296,710,277
Total (B)	257,728,081	46,632,310	304,360,391
Deferred tax assets (net) (A - B)	322,643,965	(235,536,228)	87,107,737
Add: Deferred Tax Asset related to fair value loss on derivative instruments not charged in the Statement of Profit and Loss but taken to the Balance Sheet.	(62,504,731)		(30,243,267)
Net deferred tax assets	260,139,234		56,864,470

Note :

- a) Deferred tax assets and liabilities above have been determined by applying the income tax rates of respective countries. Deferred tax assets and liabilities in relation to taxes payable under different tax jurisdictions have not been offset in financial statements.
- b) During the year ended March 31, 2016, deferred tax assets of Rs. 240,902,889 has been reversed and this amount include exchange fluctuations gain of Rs.5,366,661 relating to deferred tax assets recognised for operations in the overseas branches (United States of America and Ireland).

During the year ended March 31, 2015, deferred tax assets of Rs.180,810,733 has been recognized and this amount is after adjusting exchange fluctuations loss Rs. 3,131,988 relating to deferred tax assets recognised for operations in the overseas branches (United States of America and Ireland).

15 Long-term loans and advances

(Unsecured considered good unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received

-Considered good	939,617	3,499,190
Prepayment	201,663,122	175,078,980
Security deposits		
-Considered Good	63,986,180	69,764,886
-Considered doubtful	1,459,716	1,459,716
	65,445,896	71,224,602
Less -Provision for doubtful security deposits	(1,459,716)	(1,459,716)
	63,986,180	69,764,886
Capital advances	8,484,900	44,819,186
Minimum Alternate Tax credit entitlement	519,823,908	202,198,421
	794,897,727	495,360,663

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
16 Other non-current assets		
Long term deposits with bank with maturity period more than 12 months [Refer Note (a) below]	64,746,598	60,914,259
Unbilled revenue*	30,928,541	38,485,482
	<u>95,675,139</u>	<u>99,399,741</u>

(a) Held as margin money by bank against bank guarantees.

17 Current investments

At cost or fair value, whichever is less

Unquoted

In Mutual funds	630,000,000	231,883,311
	<u>630,000,000</u>	<u>231,883,311</u>

Liquid Scheme of Mutual Fund	As on 31st March 2016		As on 31st March 2015	
	Units	Value	Units	Value
Liquid Scheme of Mutual Fund				
Tata Liquid Fund Direct Plan-Growth	21,481	60,000,000	-	-
SBI Premier Liquid Fund-Direct Plan- Growth	29,448	70,000,000	-	-
Birla Sun Life Cash Plus-Growth-Direct Plan	332,102	80,000,000	-	-
Reliance Liquid Fund-Growth Plan Growth	16,873	40,000,000	-	-
Reliance Money Manager Fund-Growth Plan	24,157	50,000,000	-	-
IDFC Cash Fund Growth- Direct Plan	27,441	50,000,000	-	-
HDFC Liquid Fund-Direct Plan-Growth Option	27,025	80,000,000	1,823,500	50,000,000
ICICI Prudential Liquid-Direct Plan-Growth	267,747	60,000,000	440,064	90,000,000
UTI Liquid Cash Plan Institutional -Direct Growth	24,207	60,000,000	17,500	40,000,000
Kotak Liquid Scheme Plan -A Growth	26,295	80,000,000	2,745,802	51,883,311
Total		<u>630,000,000</u>		<u>231,883,311</u>

18 Inventories

Traded Goods

Material in transit [Refer Note (a) below]	-	82,355,123
	<u>-</u>	<u>82,355,123</u>

Note :

"Note : (a) The Company deals in number of software and hardware items whose cost and selling price vary from item to item. In view of voluminous data, no information relating to major items of opening stocks, closing stocks, purchases and sales have not been disclosed in the financial statements. "

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
19 Trade receivables		
Unsecured considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	217,306,365	316,158,155
Others	2,289,683,082	4,103,734,734
Unsecured considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	66,151,536	113,992,511
Others	-	-
Less: Provision for doubtful debts*	66,151,536	113,992,511
	<u>2,506,989,447</u>	<u>4,419,892,889</u>
*During the year Rs. 47,127,224 (Previous Year Rs Nil) has been transferred to Provision for liquidated damages [Refer Note 10(c)]		
20 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	65,888	114,219
Cheques, drafts on hand	113,291,476	2,106,751
Bank balances		
In current accounts	913,624,897	406,480,276
	<u>1,026,982,261</u>	<u>408,701,246</u>
Other Bank Balances		
Deposits with maturity more than 3 months but less than 12 months		312,111,955
Unpaid dividend account	14,480,479	14,438,252
	<u>14,480,479</u>	<u>326,550,207</u>
	<u>1,041,462,740</u>	<u>735,251,453</u>
21 Short term loans and advances		
(Unsecured, considered good except where otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Other loans and advances	256,159,664	238,470,844
Prepaid expenses	303,714,569	256,018,222
Security deposits (unsecured)		
Considered good	57,712,113	37,645,788
Advance Income Tax	3,316,934,861	2,794,964,340
Less: Provision for income tax	2,862,680,565	2,540,535,257
	<u>454,254,296</u>	<u>254,429,083</u>
Advance fringe benefits tax	49,383,996	49,383,996
Less: Provision for fringe benefits tax	49,120,061	49,120,061
	<u>263,935</u>	<u>263,935</u>
	<u>1,072,104,577</u>	<u>786,827,872</u>

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
22 Other current assets		
Unsecured, considered good		
Unbilled revenue*	310,298,526	209,751,613
Less : Provision for unbilled revenue	<u>67,392,617</u>	<u>-</u>
	242,905,909	209,751,613
Interest accrued on deposits with banks	3,511,302	7,763,376
Derivative instruments fair value assets	<u>167,275,158</u>	<u>193,313,086</u>
	<u>413,692,369</u>	<u>410,828,075</u>
* Net of Rs. Nil (Previous Year Rs. 49,842,286) written off as no longer recoverable. The amount of Rs. 25,011,084 was included under exceptional items for the year ended March 31, 2015.(Refer Note 33).		
23 Proposed dividend		
On equity shares of Rs. 10 each		
Amount of dividend proposed	611,865,240	579,926,541
Dividend per equity share	10.00	9.50
24 Contingent liabilities		
Claims against the Company not acknowledged as debts		
(a) Income tax matters pending disposal by the tax authorities	325,428,919	299,876,886
(b) Claims made by customer pending under arbitration	3,230,000	3,230,000
(c) Counter claim made by a vendor in response to amount claimed by the Company as per the terms of contract, pending resolution by the High Court	-	61,807,656
(d) Value added tax matter pending disposal by the tax authorities	5,899,134	-
Notes		
(i) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.		
(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.		
25 Capital and other commitments		
Capital commitments		
Estimated value of contracts [net of capital advance of Rs 3,132,626 (Previous Year Rs 41,418,826)] in capital account remaining to be executed	290,484,904	812,079,375
	Year ended March 31, 2016	Year ended March 31, 2015
26 Revenue from operations		
Sales of products		
Traded goods [Refer Note 18(a)]	444,519,561	786,540,733
Sale of services	<u>14,233,563,738</u>	<u>12,674,372,460</u>
	<u>14,678,083,299</u>	<u>13,460,913,193</u>
27 Other income		
Net gain on sale of investments	16,983,966	54,196,788
Recovery from subsidiaries for common corporate expenses	57,231,312	56,756,007
Interest income		
-On Bank deposits	15,461,408	12,380,604
-Income Tax refund	<u>-</u>	<u>5,607,985</u>
	<u>15,461,408</u>	<u>17,988,589</u>

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
Dividend Income from subsidiary	222,500,000	89,000,000
Gain on exchange fluctuations (net)	79,049,379	-
Miscellaneous income	19,732,701	6,211,513
	<u>410,958,766</u>	<u>224,152,897</u>
28 Changes in inventories of stock-in-trade		
Decrease / (increase) in inventories		
Stocks at the beginning of year	82,355,123	47,948,070
Stocks at the end of year	-	82,355,123
	<u>82,355,123</u>	<u>(34,407,053)</u>
29 Employee benefits expense		
Salaries and bonus* [Refer Note 33(c)]	8,059,076,804	6,806,489,602
Contribution to provident and other funds [Refer Notes (a) and b(l) below]	203,181,147	179,009,189
Gratuity [Refer Note (b)(II) below]	33,099,857	80,606,285
Employee stock option scheme [Refer Note 45(e)]	9,301,680	11,514,312
Staff welfare expenses	168,867,973	124,304,236
	<u>8,473,527,461</u>	<u>7,201,923,624</u>

* Net off Rs. 18,405,591 (Previous Year Rs. 15,572,542) capitalised as part of capital work-in-progress/ tangible assets.

Employee Benefits

a) Defined Contribution Plans:

The Company makes contribution towards Provident Fund, Superannuation Fund, Pension Fund, Employee State Insurance Fund and Overseas Plans (related to the Branches in the United States of America and Ireland), being defined contribution plans for eligible employees. The Company has charged the following amount in the Statement of Profit and Loss:

Amount recognised in the Statement of Profit and Loss	Year Ended March 31, 2016	Year Ended March 31, 2015
Superannuation fund paid to the Trust	15,268,652	15,879,428
Contribution plans (branches outside India)*	42,521,342	34,842,266
Employees state insurance fund paid to the authorities	6,086,991	3,870,586
Pension fund paid to the authorities	61,498,058	46,944,058
	<u>125,375,043</u>	<u>101,536,338</u>

* Branches outside India make contribution to the plans regulated by the respective country's Government Authorities. The liability of the respective entity is limited to the extent of the contributions made by it to the authorities.

b) Defined Benefit Plans

Disclosure in respect of defined benefit plans in accordance with Accounting Standard 15 (Revised) "Employee Benefits"

(i) Provident Fund:

The Company makes contribution to the "NIIT Technologies Limited Employees Provident Fund Trust" ("the Trust"), which is exempted under section 17 of Employees' Provident Fund Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good the deficiency, if any, in the interest rate declared by the Trust vis-à-vis statutory rate. As per guidance note on Accounting Standard-15, Employee Benefits (Revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The Trust includes employees of the Company as well as of other subsidiaries in accordance with the approval vide letter No. S-35015/9/2008-SS-II, dated March 20, 2009, granted by the Employees' Provident Fund Organization. In view of the same, it is a multi-employer defined benefit plan. The Company made defined contribution to Regional Provident Fund Commissioner (RPFC) from 1st October 2005 till 29th February 2009 in respect of Provident Fund. The Company has transferred these contributions along with the interest from RPFC to NIIT Technologies Limited Employees' Provident Fund Trust. The Company does not have any further obligation in this respect.

Consequent to the Actuarial Society of India issuing a guidance note on the valuation of provident fund liability, the Trust

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

has obtained an actuarial valuation of the provident fund liability as at balance sheet date and as per the valuation report, there is surplus as on March 31, 2016. The Actuary has provided details for the disclosure requirement of the Accounting Standard 15 (Revised 2005) on "Employee Benefits" for the Trust as a whole. However, participant entities wise break-up of these disclosures is not available and accordingly, the disclosures for provident fund liability as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) have been made in these financial statements, basis actuarial report for the trust as a whole.

The Company contributed Rs. 77,806,104 (Previous Year Rs. 77,472,851) during the year to the Trust, which has been charged to the Statement of Profit and Loss.

Disclosures included are limited to the extent of disclosures provided by the actuary

(i) Present Value of Defined Benefit Obligations :

Description	Year ended March 31, 2016	Year ended March 31, 2015
Balance as at the beginning of the year	1,399,939,363	1,125,366,543
Interest cost	118,829,432	109,130,397
Current service cost	137,619,218	92,622,300
Benefits paid	(100,762,538)	(100,183,039)
Plan Participant's Contributions	236,889,043	146,413,727
Transfers In	16,180,422	(68,919,843)
Actuarial (gain) / loss on obligation	(134,379,968)	95,509,278
Balance as at the end of the year*	<u>1,674,314,972</u>	<u>1,399,939,363</u>

(ii) Fair Value of Plan Assets :

Description	As At March 31, 2016	As At March 31, 2015
Plan assets at beginning at fair value	1,415,496,520	1,151,202,213
Expected return on plan assets	142,338,410	111,981,768
Employer contributions	130,560,767	88,400,103
Plan Participant's contributions	236,889,043	146,413,727
Benefits paid	(100,762,538)	(100,183,039)
Transfers In	16,180,422	(68,919,843)
Actuarial gain / (loss) on plan assets	(123,807,451)	86,601,591
Plan assets at year end at fair value	<u>1,716,895,173</u>	<u>1,415,496,520</u>

(iii) Assets and Liability recognised in Balance Sheet :

Description	As At March 31, 2016	As At March 31, 2015
Present value of the defined benefit obligation as at the end of the year	1,674,314,972	1,399,939,363
Fair value of plan assets at the end of the year	<u>1,716,895,173</u>	<u>1,415,496,520</u>
Funded status - (surplus)*	<u>(42,580,201)</u>	<u>(15,557,157)</u>

*As the funded status is in surplus there is no need for any specific provision as at March 31, 2016 towards the Provident Fund by the Company. Hence the net liability to be recognised in the balance sheet is Rs Nil (March 31, 2015 : Rs Nil)

	As At March 31, 2016	As At March 31, 2015
(iv) Principal actuarial assumptions at the Balance Sheet date		
Discount Rate	7.80%	7.75%
Attrition rate		
Age from 20-30 years	16.00%	16.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
Age 55 & above	1.00%	1.00%

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
Expected Return on Assets for Exempt PF Fund		
Year	Rate	Rate
2012-13	-	-
2014-16	9.19%	9.19%
2016 and thereafter	9.28%	9.19%
Long term EPFO Rate		
Year	Rate	Rate
2012-13	-	-
2013-14	8.75%	8.75%
2014-15	8.75%	8.75%
2015 and thereafter	8.80%	-

(v) Experience Adjustments

Description	March 31,2016	March 31,2015	March 31,2014
Experience Gain/(Loss) adjustments on Plan Liabilities	134,379,968	(95,509,278)	(2,722,060)
Experience Gain/(Loss) adjustments on Plan Assets	(123,807,451)	86,601,591	16,073,673

(vi) Expected Contribution to the fund in the next year

	March 31,2016	March 31,2015
Provident fund	85,000,000	85,000,000

(II) Gratuity:

Disclosures as per actuarial report of independent actuary:

(i) Present Value of Defined Benefit Obligations :

Description	Year ended March 31, 2016	Year ended March 31, 2015
Balance as at the beginning of the year	252,632,129	167,884,877
Interest cost	18,164,320	14,105,337
Current service cost	46,370,991	32,745,388
Benefits paid	(22,138,041)	(14,301,739)
Actuarial (gain) / loss on obligation	(11,577,604)	52,198,266
Balance as at the end of the year	<u>283,451,795</u>	<u>259,632,129</u>

(ii) Fair Value of Plan Assets :

Description	Year ended March 31, 2016	Year ended March 31, 2015
Balance at beginning of the year	259,427,904	192,214,577
Expected return on plan assets	21,787,540	18,952,490
Contributions	1,283,137	63,072,360
Benefits paid	(22,138,041)	(14,301,739)
Actuarial gain / (loss) on plan assets	(1,929,690)	(509,784)
Balance as at end of the year	<u>258,430,850</u>	<u>259,427,904</u>

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
(iii) Assets and Liabilities in Balance Sheet :		
Description		
Present value of the defined benefit obligation as at the end of the year	283,451,795	252,632,129
Fair value of plan assets at the end of the year*	258,430,850	259,427,904
Amount recognised as liability/ Funded status of plan assets**	25,020,945	(6,795,775)

*Recognised under :

Long term provisions (Refer Note 6)	25,020,945	-
** Not recognised as an asset as at March 31 2015.		-

(iv) Amount of gratuity expenses recognised in the Statement of Profit and Loss

Description	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	46,370,991	32,745,388
Interest cost	18,164,320	14,105,337
Expected return on plan assets	(21,787,540)	(18,952,490)
Actuarial (gain) / loss recognized during the year	(9,647,914)	52,708,050
Total	33,099,857	80,606,285

(v) Amount recognised in current year and previous four years

Description	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Present value of the defined benefit obligation as at the end of the year	(283,451,795)	(252,632,129)	(167,884,877)	(137,234,100)	(101,168,000)
Fair value of plan assets at the end of the year	258,430,850	259,427,904	192,214,577	148,148,452	116,531,512
Amount recognised as liability/(Surplus in the plan assets)	(25,020,945)	6,795,775	24,329,700	10,914,352	15,363,512
Experience gain/(loss) adjustments on plan liabilities	11,577,604	(52,198,266)	1,649,104	(12,755,000)	11,550,990
Experience gain/(loss) adjustments on plan assets	(1,929,690)	(509,784)	(1,116,633)	(1,261,260)	(554,140)

(vi) Investment details of plan assets :

The plan assets are maintained with the Life Insurance Corporation Gratuity Scheme. The details of investment maintained by the Life Insurance Corporation of India are not available with the Company and have not been disclosed.

(vii) Principal actuarial assumptions at the Balance Sheet date

	As at March 31, 2016	As at March 31, 2015
Discount rate	7.80%	7.75%
Expected rate of return on plan assets	8.75%	8.75%
Salary growth rate	Salary rate 7% for first 3 years and 6% thereafter	Salary rate 7% for first 3 years and 6% thereafter
Attrition rate		
Age from 20-30 years	16.00%	16.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
Age 55 & above	1.00%	1.00%
Expected average remaining working lives of employee (years)	12	12

The estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
30 Finance costs		
Interest expense		
on term loans from Bank / Financial Institution	9,568,061	10,248,455
on loan from a related party	24,804,094	24,283,446
Bank and financial charges	8,730,037	11,933,437
	43,102,192	46,465,338
31 Depreciation and amortisation expense		
Depreciation on tangible assets [Refer Note 11]	505,871,566	384,747,226
Amortisation on intangible assets [Refer Note 12]	322,486,256	280,450,756
	828,357,822	665,197,982
32 Other expenses		
Rent	161,556,887	163,355,859
Rates and taxes	2,745,086	2,534,132
Electricity and water	122,806,469	106,300,565
Communication expenses	115,576,002	99,592,643
Legal and professional [Refer Note (a) below]	129,395,542	118,687,629
Travelling and conveyance	583,416,900	486,353,492
Recruitment	68,453,811	33,136,886
Insurance premium	26,109,714	24,328,202
Repairs and maintenance		
Plant and machinery	83,711,882	78,041,039
Buildings	2,022,516	2,285,112
Others	127,878,432	114,869,688
Loss on exchange fluctuations (net)	-	93,352,935
Provision for doubtful debts (net)	25,712,737	46,762,322
Provision for Unbilled revenue [including unbilled revenue written off of Rs Nil (Previous Year Rs 24,831,202)]	67,392,617	24,831,202
Loss on sales of tangible / intangible assets (net)	9,995,013	5,372,687
Expenditure towards Corporate Social Responsibilities activities [Refer Note (d) below]	47,001,923	48,318,823
Advertisement and publicity	56,535,374	37,233,584
Provision for contract warranties (net)	30,818,922	99,222,625
Provision for estimated loss on completion (net)	-	243,708,465
Provision for liquidated damages (net)	10,100,719	125,635,378
Business promotion	34,001,672	37,968,060
Professional charges	1,303,609,482	958,944,953
Equipment hiring	9,337,024	9,640,402
Consumables	25,359,734	33,817,757
Other production expenses	68,868,032	33,018,226
Miscellaneous expenses	87,407,097	77,792,541
	3,199,813,587	3,105,105,207

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Notes Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(a) Payment to auditors (excluding service tax)		
As Auditor	10,725,400	8,577,000
For reimbursement of actual out of office expenses	752,058	1,029,000
(b) Expenses capitalised as a part of Capital Work-in-progress/tangible assets :		
Electricity and water	3,630,402	1,917,197
Legal and professional	7,851,006	5,598,513
Miscellaneous expenses	9,629,970	6,830,009
	21,111,378	14,345,719

(c) Expenses recognised during the year are net of recoveries towards common services at cost from domestic subsidiaries amounting to Rs.21,353,888 (Previous Year Rs 17,089,219).

(d) Corporate Social Responsibility Expenditure		
Gross amount to be spent during the year	35,897,066	36,280,000
Amount spent during the year on Education	47,001,923	48,318,823
Amount yet to be incurred	-	-

33 Details of exceptional items charged to the Statement of Profit and Loss

During the year ended March 31 2016, in a Subsidiary of the Company, settlement was agreed with a customer on termination of an ongoing service agreement ("agreement") under dispute as at March 31, 2015, in respect of which the Company was providing service to Subsidiary. As per terms of the Settlement, the Subsidiary has paid Settlement amount to the customer upon receipt of which the customer has released the bank guarantee of Rs. 142,590,000 and corporate guarantee of Rs. 926,835,000 issued by the Company and also released the Company and the Subsidiary from further obligations under the agreement. Consequent to the Settlement, the Subsidiary has charged back to the Company an amount of Rs. 402,866,231, being portion of the net resultant loss on the contract as considered attributable to the services provided by the Company in the Previous Years. Also, the Company has written off unbilled revenue carried forward, which is no longer recoverable and written back provision for expenses for completion of services on the agreement, which is no longer required to be carried forward. Consequent to the above, in line with AS-29 and AS-4, the Company had recognized the resultant impact of the above in the financial statements for the year ended March 31, 2015 and disclosed the same as an exceptional item in the Statement of Profit and Loss, comprising the following:

(a) Costs consequent to termination of a contract with the customer:		
- Provision for claim from subsidiary on account of net loss on agreement, as above	-	402,866,231
- Unbilled revenue no longer recoverable amount written off	-	25,011,084
- Related costs on contract settlement comprising		
Travelling and conveyance	-	1,950,876
Legal and professional	-	2,806,239
Less: Provision for expenses for completing of ongoing service agreement no longer required written back	-	(47,854,140)
	-	384,780,290
(b) In accordance with provisions of AS-13, consequent to improvement in performance and sustainable achievement of profits, provision for diminution of investment in a subsidiary (NIIT SmartServe Limited) no longer required written back	-	(250,000,000)
(c) Additional provision for bonus related to the period April 1, 2014 to March 31, 2015 pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.	6,457,992	-
	6,457,992	134,780,290

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

	Year ended March 31,2016	Year ended March 31,2015
34 Earning in foreign currency		
IT and Related Services	12,676,152,676	10,806,245,398
Other income - Recovery for common corporate expenses from overseas subsidiaries	48,274,382	45,264,770
35 CIF value of imports		
Capital goods	256,323,880	260,476,109
36 Expenditure in foreign currency		
Travel	194,366,586	158,930,216
Legal and professional fees	35,291,398	28,728,610
Branches (United States of America and Ireland) office expenses*	4,575,891,868	3,701,568,085
Amount payable to a subsidiary [Refer Note 33]	-	402,866,231
Production expenses	53,982,596	23,401,111
Others	17,563,663	9,227,761

*During the year, the Company has obtained necessary permission to open branches in Belgium and Switzerland. The operations in both the branches have not yet commenced.

37 Related party transactions as per Accounting Standard 18:

A Subsidiaries

- 1 ESRI India Technologies Limited , India (*Formerly known NIIT GIS Limited)
- 2 NIIT SmartServe Ltd, India
- 3 NIIT Technologies Services Limited, India
- 4 NIIT Technologies Ltd, United Kingdom
- 5 NIIT Technologies BV, Netherlands (Held by NIIT Tech, UK)
- 6 NIIT Technologies NV, Belgium (Held by NIIT Tech BV, Netherlands)
- 7 NIIT Technologies Pte Limited, Singapore
- 8 NIIT Technologies Ltd, Thailand (Held by NIIT Tech, Singapore)
- 9 NIIT Technologies Pty Ltd, Australia (Held by NIIT Tech, Singapore)
- 10 NIIT Technologies K.K ,Japan
- 11 Incessant Technologies Limited
- 12 NIIT Technologies GmbH, Germany
- 13 NIIT Technologies AG, Switzerland (Held by NIIT Tech GmbH, Germany)
- 14 NIIT Technologies Inc, USA
- 15 NIIT Insurance Technologies Limited, United Kingdom (Held by NIIT Technologies Limited, UK)
- 16 NIIT Airline Technologies GmbH, Germany
- 17 NIIT Technologies FZ LLC, Dubai
- 18 NIIT Technologies S.A., Spain
- 19 NIIT Media Technologies LLC (Joint Venture Company, 60% stake held by NIIT Technologies Inc, USA)
- 20 NIIT Technologies Philippines Inc
- 21 NIIT Technologies Brazil Ltd

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

- B Other related parties with whom the Company has transacted:
- a) Parties of whom the Company is an associate and its subsidiaries:
 NIIT Limited , India (Through its subsidiary Evolve Services Limited , India)
 NIIT USA Inc., USA
 NIIT Institute of Finance Banking and Insurance Training Limited
- b) Key Managerial Personnel
 Rajendra S Pawar, Chairman and Managing Director
 Vijay K Thadani, Non-Executive Director
 Arvind Thakur, Chief Executive Officer and Joint Managing Director
 Amit Kumar Garg, Chief Financial Officer
- c) Parties in which the Key Managerial Personnel of the Company are interested:
 Naya Bazar Novelties Private Limited
 NIIT Institute of Information Technology
 NIIT University
 NIIT Foundation
 Indian School of Business

C Details of transactions with related parties (described above) carried out on an arms length basis:-

Nature of Transactions	Subsidiaries	Party of whom the company is an associate	Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Purchase of fixed assets (Note 2)	- (635,747)	8,804,947 -	- -	- -	8,804,947 (635,747)
Rendering of services (Note 3)	12,411,479,410 (10,520,569,458)	21,418,802 (19,915,492)	- -	- -	12,432,898,212 (10,540,484,950)
Receiving of services (Note 4)	14,693,557 (16,269,360)	2,802,705 (2,315,961)	- -	60,242 -	17,556,504 (18,585,321)
Amount payable consequent to settlement (Refer Note 33 and Note 5)	- (402,866,231)	- -	- -	- -	- (402,866,231)
Recovery of expenses by the Company (Including those from overseas subsidiaries) (Note 6)	171,439,726 (180,303,950)	42,128 (221,581)	- -	- -	171,481,854 (180,525,531)
Recovery of expenses from the Company (Note 7)	78,253,111 (57,762,473)	5,112,650 (16,191,119)	- -	- (1,924,000)	83,365,761 (75,877,592)
Donation (Note 8)	- -	- (60,000)	- -	46,334,145 (45,995,000)	46,334,145 (46,055,000)
Investments made (Note 9)	1,350,371,487 (625,300,000)	- -	- -	- -	1,350,371,487 (625,300,000)
Investment received back (Note 16)	- (1,969,500)	- -	- -	- -	- (1,969,500)
Loans repaid (Note 10)	200,000,000 (15,000,000)	- -	- -	- -	200,000,000 (15,000,000)
Remuneration / commission sitting fees (Note 11) *	- -	- -	71,188,223 (45,145,148)	- -	71,188,223 (45,145,148)
Recovery for common corporate expenses (Note 12)	57,231,312 (56,756,007)	- -	- -	- -	57,231,312 (56,756,007)
Other Income (Note 12)	8,836,252 -	- -	- -	- -	8,836,252 -
Other expenses (Note 13)	- -	- -	96,900 -	588,980 (741,619)	685,880 (741,619)
Dividend paid to NIIT Limited	- -	144,934,800 (137,688,060)	- -	- -	144,934,800 (137,688,060)

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Nature of Transactions	Subsidiaries	Party of whom the company is an associate	Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Dividend received (Note 14)	222,500,000	-	-	-	222,500,000
	(89,000,000)	-	-	-	(89,000,000)
Interest paid (Note 15)	16,761,641	-	-	-	16,761,641
	(24,283,446)	-	-	-	(24,283,446)
Guarantees given to banks against lines of credit sanctioned to wholly owned overseas subsidiaries	837,653,800	-	-	-	837,653,800
	-	-	-	-	-
Guarantees expired during the year, which were earlier given to customers on behalf of wholly owned overseas subsidiaries	1,011,016,500	-	-	-	1,011,016,500
	-	-	-	-	-

1 Figures in parenthesis represent previous year's figure.

D Disclosure in respect of transaction which are more than 10% of the total transaction of the same type with related parties

- 2 Transactions in purchase of Fixed Assets for the year with;
 - NIIT Limited Rs 8,804,947/- (Previous Year Rs Nil)
 - NIIT Smart Serve Limited Rs. Nil (Previous Year Rs.635,747)
- 3 Includes transactions in Rendering of services for the year mainly with;
 - NIIT Technologies Inc USA Rs. 8,027,797,997/- (Previous Year Rs. . 6,636,204,056/-)
 - NIIT Technologies Limited, UK Rs 2,654,502,038/- (Previous Year Rs. 2,269,958,130/-)
 - NIIT Limited Rs 21,418,802/- (Previous Year Rs. 19,915,492/-)
- 4 Includes transactions in Receiving of Services for the year mainly with;
 - NIIT Limited Rs 2,760,398/- (Previous Year Rs 776,515/-)
 - NIIT Smart Serve Limited Rs.1,991,911/- (Previous Year Rs 3,403,303/-)
 - ESRI India Technologies Ltd Rs12,701,646/-(Previous Year Rs. 11,252,794/)
 - NIIT Limited (formerly Evolve Services Limited) Rs 42,307/- (Previous Year Rs 1,539,447/-)
 - NIIT University Rs 60,242/-(Previous Year Rs. Nil)
 - NIIT Technologies Services Limited Rs Nil (Previous Year Rs 1,613,263 /-)
- 5 Includes Amount payable consequent to Settlement for the year mainly with;
 - NIIT Technologies Pty Limited Rs. Nil (Previous Year Rs. 402,866,231 /-)
- 6 Includes transactions in recovery of expenses by the Company for the year mainly with;
 - ESRI India Technologies Limited Rs 14,368,320/- (Previous Year 11,226,159/-)
 - NIIT SmartServe Limited Rs10,305,483/- (Previous Year Rs 6,889,719 /-)
 - NIIT Technologies Limited, UK Rs 48,576,005/-(Previous Year Rs .43,620,719 /-)
 - NIIT Technologies Inc USA Rs 51,949,538/- (Previous Year Rs. 66,699,167 /-)
 - NIIT Media Technologies, LLC Rs25,065,150/-. (Previous Year Rs. 23,061,792 /-)
- 7 Includes transactions in recovery of expenses from the Company for the year mainly with;
 - NIIT SmartServe Limited Rs 20,674,341/- (Previous Year Rs.17,056,274 /-)
 - NIIT Limited Rs 219,266/- (Previous Year Rs. 3,989,025 /-)
 - NIIT USA Inc Rs4,893,385/- (Previous Year Rs12,202,094 /-)
 - NIIT Technologies Inc Rs 39,934,579/-(Previous Year Rs. 17,809,083 /-)
 - NIIT Technologies Limited UK Rs.16,904,514/-(Previous Year Rs. 20,451,049 /-)

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

- 8 Includes transactions in donation made for the year mainly with;
NIIT Institute of Information Technology Rs 45,171,645/- (Previous Year Rs. 45,995,000/-)
NIIT Foundation Rs. 1,162,500/- (Previous Year Rs. Nil)
- 9 Includes transactions in Investments made for the year mainly with;
Incessant Technologies Private Limited Rs. 1,350,371,487/- (Previous Year Nil)
NIIT Technologies Pte Limited, Singapore Rs. Nil (Previous Year Rs. 625,300,000/-)
- 10 Transactions in loans repaid for the year with;
NIIT Technologies Services Limited Rs Nil (Previous Year Rs.15,000,000/-)
- 11 Remuneration of:
Rajendra S Pawar – Rs. 30,459,274/- (Previous Year Rs.20,148,862/-)
Arvind Thakur – Rs. 36,750,846 /- (Previous Year Rs.24,056,286/-)
Vijay K Thadani – Rs. 940,000 /- (Previous Year Rs. 940,000/-)
Amit Kumar Garg – Rs. 3,038,103 /- (Previous Year Rs Nil)
- * As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personal can not be individually identified.
- 12 Includes transactions in other income for the year mainly with;
ESRI India Technologies Limited Rs11,645,618/- /- (Previous Year Rs. 8,144,153/-)
NIIT SmartServe Limited Rs. 6,287,194 /- (Previous Year Rs. 3,346,023/-)
NIIT Technologies Limited, UK Rs. 8,570,896 /-(Previous Year Rs. 9,400,941-)
NIIT Technologies Inc USA Rs. 8,073,603/- (Previous Year Rs.7,688,577 /-)
NIIT Technologies Limited, Thailand Rs.3,284,230 /- (Previous Year Rs.2,688,378/-)
NIIT Insurance Technologies Limited, Rs. 9,871,006/-(Previous Year Rs. 10,598,175/-)
- 13 Includes transactions in other expenses for the year mainly with;
Naya Bazaar Novelties Private Limited Rs. 588,980 /-(Previous Year Rs.741,619/-)
Indian School of Business Rs. 96,900 /- (Previous Year Nil)
- 14 Includes transactions in dividend received for the year mainly with;
ESRI India Technologies Limited Rs. 222,500,000 /-(Previous Year Rs. 89,000,000/-)
- 15 Transactions in interest paid for the year with;
NIIT Smart Serve Limited Rs.16,761,641 /-(Previous Year Rs. 23,054,677/-)
- 16 Investment received back from includes
NIIT Technologies Limited, Canada Rs. Nil (Previous Year Rs. 1,969,500)

E Details of balances with related parties:

	Receivables as at March 31, 2016 (Note 1)	"Payables as at March 31, 2016 (Note 2)"	"Receivables as at March 31, 2015"	Payable as at March 31, 2015
Subsidiaries				
Amount receivable / payable	736,042,103	27,505,822	1,994,859,799	633,760,716
Outstanding guarantees to banks against lines of credit sanctioned to wholly owned overseas subsidiaries [Refer Note 2(a)]	-	1,524,655,800	-	687,002,000
Outstanding guarantees to customers on behalf of wholly owned overseas subsidiaries [Refer Note 2(b)]	-	697,453,500	-	1,708,470,000
Associates	13,189,586	10,580,778	10,192,750	5,783,735
Key Managerial Personnel	1,942,220	1,699,159	-	916,556
Parties in which Key Managerial Personnel are interested	52,670	81,836	-	47,381

Notes to the financial statements
(All amounts in Rs., unless otherwise stated)

- Disclosure in respect of balances with related parties:-
- 1 Includes Receivables from
 - NIIT Technologies Ltd. ,UK Rs. 157,638,512/- (Previous Year Rs. 692,602,999 /-)
 - NIIT Technologies Inc, USA Rs.208,148,163 /- (Previous Year Rs. 701,103,942 /-)
 - 2 Includes Payables to;
 - NIIT Technologies Pty. Limited. Rs.Nil (Previous Year Rs.402,866,232). Consequent to Settlement (Refer Note # 33)
 - NIIT SmartServe Limited Rs. 4,077,775 /- (Previous Year Rs. 210,001,490 /-)
 - Holly Morris -Director Pvt. 1,697,359/- (Previous Year Rs. 916,556/-)
 - Naya Bazaar Novelty Private Limited Rs 22,653 /- (Previous Year Rs 47,381/-)
 - NIIT University Rs 59,183 /- (Previous Year Rs NIL)
 - 2(a) Outstanding guarantee to banks includes
 - NIIT Technologies Pte Limited, Singapore Rs. 68,805,800/- (Previous Year Rs. 63,602,000/-)
 - NIIT Technologies Pty Limited, Australia Rs. 661,750,000/- (Previous Year Rs. 623,400,000/-)
 - NIIT Technologies Limited, UK Rs. 496,312,500/-(Previous Year Nil)
 - NIIT Insurance Technologies Limited, UK Rs. 198,525,000/-(Previous Year Rs Nil)
 - 2(b) Outstanding guarantees to the customer on
 - NIIT Technologies Pte Limited, Singapore Rs. 358,302,000/-(Previous Year Rs. 337,680,000/-)
 - NIIT Technologies GMBH, Germany Rs. 226,101,000/- (Previous Year Rs. 200,910,000/-)
 - NIIT Technologies BV, Netherlands Rs. 113,050,500/-(Previous Year Rs. 100,455,000/-)
 - NIIT Technologies Pte Limited, Australia Rs. NIL (Previous Year Rs. 1,069,425,000/-)
- 38** The dominant source of risk and returns of the enterprise is considered to be the business in which it operates viz – software solutions. Being a single business segment Company, no primary segment information is being provided. The secondary segment information as per Accounting Standard 17 “Segment Reporting” in relation to the geographies is as follows:

Particulars	Revenue by location of customer		Carrying amount of segment assets by location of the assets		Additions to fixed assets	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
India	1,876,658,019	2,289,828,176	14,047,289,709	13,676,279,258	2,301,647,991	1,736,852,331
America*	8,426,910,427	7,207,451,713	192,523,722	128,664,407	11,309,007	8,675,719
Europe*	3,833,577,122	3,573,429,203	29,939,564	25,161,189	32,262	-
Asia Pacific (including Australia)*	540,937,731	390,204,101	-	-	-	-
Total	14,678,083,299	13,460,913,193	14,269,752,995	13,830,104,854	2,312,989,260	1,745,528,050

*Net of Hedging Gain / (loss) of Rs. 125,272,604 (Previous Year Gain / (Loss) Rs. 324,950,355). This includes derivative instruments matured during the year for America loss Rs 1,344,931 (Previous Year Gain / (Loss) Rs.181,358,928), Europe Rs.126,617,535 (Previous Year Gain / (Loss) Rs.143,591,427)

39 Earning Per Share :

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic		
Profit after tax (A)	1,940,147,435	1,475,904,218
Weighted Average number of Equity shares Outstanding during the year - (B)	61,103,827	60,455,494
Basic Earnings per share (A) / (B)	31.75	24.25
Diluted		
Profit after tax	1,940,147,435	1,475,904,218
Weighted Average number of Equity shares Outstanding during the year (B)	61,103,827	60,855,494
Add : Weighted average number of potential equity shares on account of employee stock options.	357,623	322,646
Weighted average number of shares outstanding for dilutive EPS (C)	61,461,450	61,178,140
Diluted EPS (A)/(C)	31.57	24.12
Face value per share	10.00	10.00

Notes to the financial statements
(All amounts in Rs., unless otherwise stated)

The Company has issued 141,625 (Previous Year 343,725) equity shares under its ESOP Scheme during the year. The same has been adjusted for both the years presented above.

Earning Per Share [had fair value method been employed for accounting for Employee Stock Option (Refer Note 45 (e))]

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit attributable to Equity shareholders (D)	1,908,829,461	1,456,287,024
Basic Earnings per share (Rs) (D / B)	31.24	23.93
Diluted Earnings per share (Rs) (D / C)	31.06	23.80

40 Current Income Tax

- (i) The Company determines taxes on income in accordance with the applicable provisions of Income Tax Act, 1961 ("Act"). The Company also claims deductions under sections 10AA and 80 IAB in respect of its Unit and Developer Operations, respectively, in Special Economic Zone (SEZ). The payments under Minimum Alternate Tax (MAT) can be carried forward and can be set off against future tax liability. Accordingly, a sum of Rs. 519,823,908 (Previous Year Rs. 202,198,421) has been shown under "Loans and Advances" (Refer Note 15). Further, during the year, the Company has created MAT credit of Rs. 317,625,487 (Previous Year Rs. 141,924,532).
- (ii) In addition to Indian Operations, the Company has accounted for the tax liability/reliefs in respect of its branches having operations in the United States of America (USA) and Ireland in accordance with the tax legislations applicable in the respective jurisdiction.
- (iii) The current tax expense includes charge of Rs. 8,802,236/- (Previous Year credit of Rs. 28,273,097) and charge of Rs. 23,482,084 (Previous Year charge of Rs. 100,660,319) relating to earlier year adjustments of India and the USA branch operations, respectively.

41 Leases

The Company has significant operating leases for premises. These lease arrangements range for a period between 11 months and 3 years, which include both cancellable. Most of the leases are renewable for further period on mutually agreeable terms.

	Year ended March 31, 2016	Year ended March 31, 2015
With respect to all operating leases		
Lease payments recognised in the statement of profit and loss during the year	161,556,887	163,355,859

42 Derivative financial instruments:

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities, forecasted cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecasted cash flows is governed by the Company's strategy, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The counter parties in these derivative instruments are banks and the Company considers the risks of non-performance by the counterparty as non-material. The forward foreign exchange contracts mature between 1 to 12 months and the forecasted transactions are expected to occur during the same period. The Company does not use forward contracts for speculative purposes.

a) Derivatives outstanding as at the reporting date

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount in Respective currency	Amount in INR	Amount in Respective currency	Amount in INR
Forward covers to sell	USD	67,500,000	4,466,812,500	51,750,000	3,225,862,125
	GBP	13,050,000	1,241,864,100	11,250,000	1,041,144,750
	EURO	4,500,000	339,151,500	4,500,000	301,348,350

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

b) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount in Respective currency	Amount in INR	Amount in Respective currency	Amount in INR
Trade receivables	AED	496,550	8,946,298	204,867	3,477,220
	AUD	2,530,408	128,555,098	2,738,341	130,155,833
	BRL	1,033,921	19,248,405	2,117,216	41,480,548
	CHF	-	-	739	47,410
	HKD	98,358	839,121	222,151	1,785,982
	PHP	-	-	74,313	103,783
	SGD	250,704	12,321,357	546,189	24,814,805
	THB	934,470	1,761,569	713,097	1,365,437
Trade payables	USD	144,449	9,244,344	258,690	16,125,599
	AUD	-	-	5,319,837	252,856,640
	EURO	-	-	130,602	8,745,933
	GBP	82,895	7,871,041	88,892	8,226,610

c) The following table summarizes activity in the Hedge Reserve related to all derivatives classified as cash flow hedges during the year ended March 31, 2016:

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Balance as at the beginning of the year (Net of deferred tax)	(130,808,355)	(88,316,303)
Add : Unrealized (gain) / loss on cash flow hedging derivatives during the year	(161,739,407)	(429,962,212)
Less : Net losses transferred to revenue on occurrence of hedged items	(125,272,604)	(324,965,429)
Balance as at the end of the year	(167,275,158)	(193,313,086)
Deferred tax liability/(assets)	30,243,267	62,504,731
Balance as at the end of the year (Net of deferred tax liabilities)	(137,031,891)	(130,808,355)

At March 31, 2016 the estimated net amount of existing gain that is expected to be reclassified into the revenue statement within the next twelve months is Rs.167,275,158 /-(Previous Year Rs.193,313,086/-).

43 Working capital limits of Rs. 3,000,000,000 (Previous Year Rs. 3,000,000,000) are secured by a first charge on the book debts of the Company and by a second charge on movable assets of the Company. The Company has not utilized the fund based limit as at the year-end (Previous Year Rs. Nil).

44 During the year ended March 31, 2015, the Company based on an internal assessment and external technical evaluation, had changed the estimates of useful life from the useful life being followed earlier under the Companies Act, 1956. Accordingly, the useful lives of certain assets required a change from previous estimates:

Category of Assets	Earlier Useful life (Years)	Current useful life (Years)
Computers and Peripherals	4	3
Office Equipment	21.08	5
Furniture and Fixtures	10.5	10
Other Plant and Machinery	21.08	15
Others		
Buildings	61.33	60
Vehicles	10.5	8

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by Rs142,644,429. Further, the Company had exercised the option that where the remaining useful life of asset at April 1, 2014 is Nil, the carrying amount of the asset after retaining residual value is recognized in the opening balance of retained earnings; such impact being Rs. 16,266,755.

Notes to the financial statements
(All amounts in Rs., unless otherwise stated)
45 Employee stock option plan

The Company established NIIT Technologies Stock Option Plan 2005 (ESOP 2005) in the year 2005-06 and the same was approved at the Annual General Meeting of the Company on 18th May 2005. The plan was set up so as to offer and grant for the benefit of employees of the Company and its subsidiaries, who are eligible under Securities Exchange Board of India (SEBI) Guidelines (excluding promoters), options of the Company in aggregate up to 3,850,000 options under ESOP 2005, in one or more Tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard. As per the plan each option is exercisable for one equity share of face value of Rs 10 each fully paid up on payment to the company for such shares at a price to be determined in accordance with ESOP 2005. SEBI has issued the SEBI (Share Based Employee Benefits) Regulations, 2014 which is applicable to the above ESOP 2005.

a. The Company granted option in thirty two Grants. The details of Grants are as follows:-

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31,2016	As at March 31,2015
Grant V							
Tranche I	19-Oct-09	19-Oct-10	127.20	-	53.19	-	-
Tranche II	19-Oct-09	19-Oct-11	127.20	-	53.19	-	-
Grant VI							
Tranche I	19-Jul-10	19-Jul-11	182.15	-	75.39	-	-
Tranche II	19-Jul-10	19-Jul-12	182.15	-	75.39	-	110
Grant VII							
Tranche I	18-Oct-10	18-Oct-11	223.75	-	83.29	-	-
Tranche II	18-Oct-10	18-Oct-12	223.75	-	83.29	-	201
Grant VIII							
Tranche I	18-Jan-11	18-Jan-12	206.20	-	76.65	-	-
Tranche II	18-Jan-11	18-Jan-13	206.20	-	76.65	-	293
Grant IX							
Tranche I	6-May-11	6-May-12	188.25	-	67.21	-	36
Tranche II	6-May-11	6-May-13	188.25	-	67.21	36	402
Grant X							
Tranche I	9-Jun-11	9-Jun-12	10.00	182.00	160.58	-	70
Tranche II	9-Jun-11	9-Jun-13	10.00	182.00	160.58	70	436
Tranche III	9-Jun-11	9-Jun-14	10.00	182.00	160.58	435	801
Grant XI							
Tranche I	19-Jul-11	19-Jul-12	206.15	-	71.15	-	110
Tranche II	19-Jul-11	19-Jul-13	206.15	-	71.15	110	476
Grant XII							
Tranche I	17-Oct-11	17-Oct-12	10.00	189.00	182.15	-	200
Tranche II	17-Oct-11	17-Oct-13	10.00	189.00	182.15	200	566
Tranche III	17-Oct-11	17-Oct-14	10.00	189.00	182.15	565	931
Grant XIII							
Tranche I	17-Jan-12	17-Jan-13	198.00	-	53.89	-	292
Tranche II	17-Jan-12	17-Jan-14	198.00	-	53.89	292	658
Grant XIV							
Tranche I	3-May-12	3-May-13	256.60	-	71.93	33	399
Tranche II	3-May-12	3-May-14	256.60	-	71.93	398	764
Grant XV							
Tranche I	2-Jul-12	2-Jul-13	285.80	-	76.26	93	459
Tranche II	2-Jul-12	2-Jul-14	285.80	-	76.26	458	824
Grant XVI							
Tranche I	2-Jul-12	2-Jul-13	10.00	275.80	232.18	93	459
Tranche II	2-Jul-12	2-Jul-14	10.00	275.80	232.18	458	824
Tranche III	2-Jul-12	2-Jul-15	10.00	275.80	232.18	823	1,189

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31,2016	As at March 31,2015
Grant XVII							
Tranche I	14-Jan-13	14-Jan-14	274.85	-	66.95	289	655
Tranche II	14-Jan-13	14-Jan-15	274.85	-	66.95	654	1,020
Grant XVIII							
Tranche I	17-May-13	17-May-14	10.00	256.26	214.49	412	778
Tranche II	17-May-13	17-May-15	10.00	256.26	214.49	777	1,143
Tranche III	17-May-13	17-May-16	10.00	256.26	214.49	1,143	1,509
Grant XIX							
Tranche I	16-Jul-13	16-Jul-14	10.00	286.65	214.98	472	838
Tranche II	16-Jul-13	16-Jul-15	10.00	286.65	214.98	837	1,203
Tranche III	16-Jul-13	16-Jul-16	10.00	286.65	214.98	1,203	1,569
Grant XX							
Tranche I	16-Jul-13	16-Jul-14	261.20		64.52	472	838
Tranche II	16-Jul-13	16-Jul-15	261.20		64.52	837	1,203
Grant XXI							
Tranche I	2-Sep-13	2-Sep-14	282.00		102.83	520	886
Tranche II	2-Sep-13	2-Sep-15	282.00		102.83	885	1,251
Tranche III	2-Sep-13	2-Sep-16	282.00		102.83	1,251	1,617
Tranche IV	2-Sep-13	2-Sep-17	282.00		102.83	1,616	1,982
Tranche V	2-Sep-13	2-Sep-18	282.00		102.83	1,981	2,347
Grant XXII							
Tranche I	2-Sep-13	2-Sep-14	10.00	294.40	240.84	520	886
Tranche II	2-Sep-13	2-Sep-15	10.00	294.40	240.84	885	1,251
Tranche III	2-Sep-13	2-Sep-16	10.00	294.40	240.84	1,251	1,617
Tranche IV	2-Sep-13	2-Sep-17	10.00	294.40	240.84	1,616	1,982
Tranche V	2-Sep-13	2-Sep-18	10.00	294.40	240.84	1,981	2,347
Grant XXIII							
Tranche I	15-Oct-13	15-Oct-14	296.60		67.13	563	929
Tranche II	15-Oct-13	15-Oct-15	296.60		67.13	928	1,294
Grant XXIV							
Tranche I	14-Jan-14	14-Jan-15	372.10		101.33	654	1,020
Tranche II	14-Jan-14	14-Jan-16	372.10		101.33	1,019	1,385
Grant XXV							
Tranche I	9-May-14	9-May-15	409.75		108.83	769	1,135
Tranche II	9-May-14	9-May-16	409.75		108.83	1,135	1,501
Grant XXVI							
Tranche I	9-May-14	9-May-15	409.75		135.48	769	1,135
Tranche II	9-May-14	9-May-16	409.75		135.48	1,135	1,501
Tranche III	9-May-14	9-May-17	409.75		135.48	1,500	1,866
Tranche IV	9-May-14	9-May-18	409.75		135.48	1,865	2,231
Tranche V	9-May-14	9-May-19	409.75		135.48	2,230	2,596
Grant XXVII							
Tranche I	15-Jul-14	15-Jul-15	10.00	451.29	349.61	836	1,202
Tranche II	15-Jul-14	15-Jul-16	10.00	451.29	349.61	1,202	1,568
Tranche III	15-Jul-14	15-Jul-17	10.00	451.29	349.61	1,567	1,933
Grant XXVIII							
Tranche I	5-Aug-14	5-Aug-15	374.05		102.45	857	1,223
Tranche II	5-Aug-14	5-Aug-16	374.05		102.45	1,223	1,589
Grant XXIX							
Tranche I	15-Oct-14	15-Oct-15	393.70		109.95	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70		109.95	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	393.70		109.95	1,659	2,025

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31, 2016	As at March 31, 2015
Grant XXX							
Tranche I	15-Oct-14	15-Oct-15	10.00	390.14	337.13	928	1,294
Tranche II	15-Oct-14	15-Oct-16	10.00	390.14	337.13	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	10.00	390.14	337.13	1,659	2,025
Grant XXXI							
Tranche I	15-Oct-14	15-Oct-15	393.70		103.71	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70		103.71	1,294	1,660
Grant XXXII							
Tranche I	15-Oct-14	15-Oct-15	393.70		124.66	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70		124.66	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	393.70		124.66	1,659	2,025
Tranche IV	15-Oct-14	15-Oct-18	393.70		124.66	2,024	2,390
Tranche V	15-Oct-14	15-Oct-19	393.70		124.66	2,389	2,755
Grant XXXIII							
Tranche I	5-May-15	5-May-16	356.50		85.12	1,131	
Tranche II	5-May-15	5-May-17	356.50		100.82	1,496	
Grant XXXIV							
Tranche I	13-Jul-15	13-Jul-16	10.00	381.64	350.29	1,200	
Tranche II	13-Jul-15	13-Jul-17	10.00	381.64	339.46	1,565	
Tranche III	13-Jul-15	13-Jul-18	10.00	381.64	328.95	1,930	
Grant XXXV							
Tranche I	19-Oct-15	19-Oct-16	493.60		125.33	1,298	
Tranche II	19-Oct-15	19-Oct-17	493.60		142.15	1,663	
Tranche III	19-Oct-15	19-Oct-18	493.60		159.61	2,028	
Tranche IV	19-Oct-15	19-Oct-19	493.60		169.77	2,393	
Tranche V	19-Oct-15	19-Oct-20	493.60		186.89	2,759	
Grant XXXVI							
Tranche I	14-Jan-16	14-Jan-17	546.40		142.01	1,385	
Tranche II	14-Jan-16	14-Jan-18	546.40		157.47	1,750	
Grant XXXVII							
Tranche I	14-Jan-16	14-Jan-17	10.00	549.85	495.37	1,385	
Tranche II	14-Jan-16	14-Jan-18	10.00	549.85	479.87	1,750	
Tranche III	14-Jan-16	14-Jan-19	10.00	549.85	464.85	2,115	

*based on Black and Scholes model (as per independent valuer's report)

b. Movement of options:

Description	In Nos.	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Live options at beginning of the year	782,125	817,608
Options granted during the year	290,000	428,000
Options Forfeited / lapsed during the year till vesting period	32,000	7,500
Net Exercisable options	1,040,125	1,238,108
Options vested	223,500	204,625
Options forfeited post vesting	-	112,258
Options Exercised	141,625	343,725
Exercisable /outstanding options at the end of the year	898,500	782,125

c. During the year, the Compensations / Remuneration Committee at its meetings held on various dates granted 290,000 options out of the options under ESOP 2005, to managerial personnel of the Company / Subsidiaries.

d. The assumptions used by an independent valuer for determination of fair value as per the Black and Scholes model are as follows:

- i) Market price considered is the latest available closing price, prior to the date of the grant
- ii) Exercise price is the price payable by the employees for exercising the option
- iii) Other assumptions

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Grant	Tranche	Volatility	Average Life of the Options (in Years)	Risk Less Interest Rate	Dividend Yield
Grant XXXIII	I	34.25%	2.5	7.69%	3.25%
	II	35.02%	3.5	7.70%	3.25%
Grant XXXIV	I	34.42%	2.5	7.68%	3.25%
	II	34.62%	3.5	7.81%	3.25%
	III	35.61%	4.5	7.88%	3.25%
Grant XXXV	I	37.67%	2.5	7.42%	3.25%
	II	36.41%	3.5	7.48%	3.25%
	III	37.05%	4.5	7.52%	3.25%
	IV	36.35%	5.5	7.56%	3.25%
	V	38.82%	6.5	7.58%	3.25%
Grant XXXVI	I	38.92%	2.5	7.36%	3.25%
	II	36.47%	3.5	7.47%	3.25%
Grant XXXVII	I	38.92%	2.5	7.36%	3.25%
	II	36.47%	3.5	7.47%	3.25%
	III	37.37%	4.5	7.56%	3.25%

e. Other information regarding employee share based payment is as below:

Grant		Expenses accounted for during the year based on intrinsic value of options		Expenses had the Company recorded the ESOP expenses based on fair value of the options	
		Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Grant X	- Tranche III	-	171,889	-	153,840
Grant XIV	- Tranche II	-	-	-	29,265
Grant XV	- Tranche II	-	-	-	378,897
Grant XVI	- Tranche II	-	387,380	-	-
	- Tranche III	258,254	1,011,267	-	851,327
Grant XVII	- Tranche II	-	-	-	198,786
Grant XVIII	-Tranche I	-	462,921	-	-
	-Tranche II	(1,562,359)	1,793,820	-	1,501,430
	-Tranche III	(520,783)	1,195,880	501,390	1,000,040
Grant XIX	-Tranche III	-	-	789,698	-
Grant XXI	-Tranche I	-	-	-	873,351
	-Tranche II	-	-	436,675	1,028,300
	-Tranche III	-	-	686,784	684,908
	-Tranche IV	-	-	515,206	513,798
	-Tranche V	-	-	412,221	411,095
Grant XXII	-Tranche III	-	-	562,985	-
	-Tranche IV	-	-	422,335	-
	-Tranche V	-	-	337,915	-
Grant XXIII	-Tranche I	-	-	-	382,365
	-Tranche II	-	-	191,183	352,433
Grant XXXIV	-Tranche I	-	-	-	601,734
	-Tranche II	-	-	300,867	379,988
Grant XXV	-Tranche I	-	-	69,770	583,210
	-Tranche II	-	-	326,937	291,206

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

Grant		Expenses accounted for during the year based on intrinsic value of options		Expenses had the Company recorded the ESOP expenses based on fair value of the options	
		Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Grant XXVI	-Tranche I	-	-	289,519	2,420,081
	-Tranche II	-	-	1,356,653	1,208,385
	-Tranche III	-	-	904,848	805,958
	-Tranche IV	-	-	678,791	604,606
	-Tranche V	-	-	543,107	483,751
Grant XXVII	-Tranche I	1,423,505	3,540,630	1,116,836	2,728,874
	-Tranche II	2,482,068	1,770,315	1,925,485	1,362,570
	-Tranche III	1,654,712	1,180,210	1,284,243	908,795
Grant XXVIII	-Tranche I	-	-	1,318,938	4,408,999
	-Tranche II	-	-	2,923,819	2,201,484
Grant XXIX	-Tranche I	-	-	421,943	352,141
	-Tranche II	-	-	389,445	175,830
	-Tranche III	-	-	417,509	117,273
Grant XXX	-Tranche I	-	-	385,351	-
	-Tranche II	-	-	257,018	-
	-Tranche III	-	-	914,407	-
Grant XXXI	-Tranche I	-	-	843,978	355,882
	-Tranche II	-	-	562,909	177,697
Grant XXXII	-Tranche I	-	-	1,352,476	1,140,724
	-Tranche II	-	-	1,248,305	569,582
	-Tranche III	-	-	832,583	379,895
	-Tranche IV	-	-	624,580	284,986
	-Tranche V	-	-	499,732	228,020
Grant XXXIII	-Tranche I	-	-	577,351	-
	-Tranche II	-	-	342,388	-
Grant XXXIV	-Tranche I	2,194,311	-	3,009,049	-
	-Tranche II	1,097,160	-	1,460,003	-
	-Tranche III	731,440	-	943,630	-
Grant XXXV	-Tranche I	-	-	2,246,352	-
	-Tranche II	-	-	1,275,655	-
	-Tranche III	-	-	955,330	-
	-Tranche IV	-	-	762,280	-
	-Tranche V	-	-	671,045	-
Grant XXXVI	-Tranche I	-	-	268,888	-
	-Tranche II	-	-	149,284	-
Grant XXXVII	-Tranche I	841,840	-	729,520	-
	-Tranche II	420,919	-	353,830	-
	-Tranche III	280,613	-	228,608	-
		9,301,680	11,514,312	40,619,654	31,131,506

Notes to the financial statements

(All amounts in Rs., unless otherwise stated)

For impact on Basic and Diluted earning Per Share, had fair value of the option been used for determining Employee Stock Option Plan expense, refer note no 39 Earnings Per Share.

During the year, the Company recognised Rs. 9,301,680 (Previous Year Rs. 11,514,312) as expense for employee stock option shares, basis intrinsic value method. This amount is net off Rs. 8,244,677 (Previous Year Rs. 9,177,943), which has been debited to subsidiaries.

46 Dividend remitted in foreign exchange

Description	Year ended March 31, 2016	Year ended March 31, 2015
Dividend paid during the year	87,837	83,214
Number of non-resident shareholders	3	3
Number of equity shares held by such non-resident shareholders	9,246	9,246
Year to which the dividends relates to	2014-15	2013-14

47 Previous Year figures have been regrouped / recast wherever considered necessary to conform to current year's classification

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

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INDEPENDENT AUDITORS' REPORT

To the Members of NIIT Technologies Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of NIIT Technologies Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"); (refer Note 34 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of 20 subsidiaries whose financial statements/ financial information reflect total assets of Rs. 4,045,676,636 and net assets of Rs. 3,021,335,000 as at March 31, 2016, total revenue of Rs. 5,401,224,902, net profit of Rs. 407,893,181 and net cash flows amounting to Rs. 230,133,567 for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 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 of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

- (g) With respect to the other matters to be included in the Auditors' 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 consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group – Refer Note 23 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016 – Refer Note 6, 8, 9 and 32 to the consolidated financial statements in respect of such items as it relates to the Group.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place: Noida
Date: May 06, 2016

Anupam Dhawan
Partner
Membership Number 084451

Annexure A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Technologies Limited on the consolidated financial statements for the year ended March 31, 2016

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of NIIT Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 the respective 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 Act.

Auditor's Responsibility

3. 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") issued by the ICAI and the Standards on Auditing 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 ICAI. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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

6. 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 dispositions of the assets of the company; (2) provide reasonable 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Technologies Limited on the consolidated financial statements for the year ended March 31, 2016

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 March 31, 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.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 4 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Anupam Dhawan
Partner

Place : Noida
Date : May 06, 2016

Membership Number 084451

Consolidated Balance Sheet

(All amounts in Rs. unless otherwise stated)

	Note	As At March 31, 2016		As At March 31, 2015	
EQUITY AND LIABILITIES					
Shareholder's funds					
Share capital	3	611,865,240		610,448,990	
Reserves and surplus	4a	15,295,606,687		12,963,023,409	
Minority interest	4b	645,167,931	16,552,639,858	188,682,785	13,762,155,184
Non-current liabilities					
Long-term borrowings	5	63,791,706		48,529,079	
Long-term provisions	6	847,931,264	911,722,970	483,432,423	531,961,502
Current liabilities					
Trade payables	7				
Total outstanding dues of micro enterprises and small enterprises		-		-	
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,654,202,017		2,134,579,343	
Other current liabilities	8	2,031,693,005		1,988,781,803	
Short-term provisions	9	1,340,993,883	5,026,888,905	1,349,684,128	5,473,045,274
Total			22,491,251,733		19,767,161,960
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	10	5,067,247,482		3,337,797,861	
Intangible assets	11	3,137,310,309		2,241,067,293	
Capital work-in-progress (tangible)		6,917,033		1,160,001,019	
Capital work-in-progress (intangible assets under development)		160,385,118	8,371,859,942	43,059,166	6,781,925,339
Non-current investments	12		120		120
Deferred tax assets (Net)	13		258,739,425		386,350,770
Long-term loans and advances	14		916,101,853		618,796,061
Other non-current assets	15		170,200,680		167,762,288
Current assets					
Current investments	16	740,000,000		553,555,977	
Inventories	17	2,547,213		85,130,739	
Trade receivables	18	5,900,595,542		6,059,945,141	
Cash and bank balances	19	3,361,951,674		2,692,467,059	
Short-term loans and advances	20	1,804,661,424		1,529,657,588	
Other current assets	21	964,593,860	12,774,349,713	891,570,878	11,812,327,382
Total			22,491,251,733		19,767,161,960

The accompanying notes are an integral part of these financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

Consolidated Statement of Profit and Loss
(All amounts in Rs. unless otherwise stated)

	Note	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from operations	25	26,824,048,784	23,724,957,197
Other income	26	205,482,800	173,121,900
Total		27,029,531,584	23,898,079,097
Expenses			
Purchases of stock-in-trade		308,695,530	977,622,015
Changes in inventories of stock in trade	27	82,583,526	(32,795,273)
Employee benefits expense	28	15,386,102,251	13,331,530,230
Finance costs	29	48,795,223	56,692,314
Depreciation and amortisation expense	30	1,101,293,548	916,396,455
Other expense	31	6,287,529,121	6,089,942,935
Total		23,214,999,199	21,339,388,676
Profit before exceptional and extraordinary items and tax		3,814,532,385	2,558,690,421
Exceptional Items	32	13,156,528	799,551,457
Profit before tax		3,801,375,857	1,759,138,964
Tax expense			
Current tax	35	872,666,332	838,153,046
Deferred tax	13	261,358,828	(196,624,642)
Minimum Alternate Tax credit		(302,344,838)	(101,618,851)
Profit after tax before share of results of associates and minority interest		2,969,695,535	1,219,229,411
Less:- Minority interest	4b	170,064,761	78,569,648
Profit for the year from continuing operations		2,799,630,774	1,140,659,763
Profit for the year		2,799,630,774	1,140,659,763
Earnings per equity share: [Nominal value per share: 36 Rs.10 (Previous Year Rs.10)]			
Basic		45.82	18.74
Diluted		45.55	18.64

The accompanying notes are an integral part of these financial statements.

This is the Consolidated statement of profit and loss referred to in our report of even date.

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

Consolidated Cash Flow Statement

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
A. Cash flow from operating activities:		
Net profit before taxation and exceptional items	3,814,532,385	2,558,690,421
Adjustments for :		
Depreciation and amortisation expense	1,101,293,548	916,396,455
Provision for gratuity and compensated expenses	133,689,641	125,521,921
Provision for contract warranties (net)	30,818,922	99,222,625
Provision for estimated loss on completion (net)	-	243,708,465
Provision for liquidated damages (net)	57,227,943	125,635,378
Employee stock option scheme	17,546,337	20,692,258
Provision for doubtful debts including bad debt written off (net)	118,596,368	24,831,202
Provision for Unbilled revenue including written off (net)	81,688,190	104,430,799
Interest expense	23,123,343	27,031,362
Interest income	(74,255,047)	(33,608,573)
Loss on sale / write off of tangible/intangible assets (net).	11,581,306	9,897,809
Dividend Income	(3,067,012)	-
Profit on sale of investment (net)	(34,017,459)	(68,967,748)
Operating profit before working capital changes	5,278,758,465	4,153,482,374
Changes in working capital:		
Add/(less): (increase)/decrease in working capital		
Trade receivables	267,874,014	(520,925,560)
Long-term loans and advances	(24,804,956)	3,040,040
Other non-current assets	(2,438,392)	(18,252,777)
Other Current assets	(101,513,755)	549,578,282
Short-term loans and advances	(148,543,623)	(136,542,048)
Inventories	82,583,526	(32,795,273)
Trade payables	(490,596,060)	520,220,431
Other current liabilities	(348,390,831)	193,307,435
Short-term provision	-	(7,939,492)
Long-term provision	118,874,292	-
Long-term borrowings	7,288	27,093
Other bank balances	(28,653,500)	(408,361,832)
Cash generated from operations	4,603,156,468	4,294,838,673
Tax paid (net of refunds)	(987,078,354)	(915,350,683)
Net cash generated from operations before exceptional items	3,616,078,114	3,379,487,990
Exceptional items [Refer Note 32]	(13,156,528)	(799,551,457)
Net cash generated from operating activities (A)	3,602,921,586	2,579,936,533
B. Cash flow from Investing activities:		
Purchase of tangible/intangible assets	(1,609,116,538)	(1,876,027,697)
Proceeds from sale of tangible/intangible assets	12,656,835	8,551,194
Paid for acquisition of Incessant Technologies Private Limited	(1,350,371,487)	-
-Purchase of current investments	(4,307,943,190)	(5,989,144,663)
-Proceeds from sale of current investments	4,155,516,630	6,055,110,234
Dividend Received	3,067,012	65,965,571
Interest received	55,626,526	29,207,115
Net cash used in investing activities (B)	(3,040,564,212)	(1,772,303,817)

Consolidated Cash Flow Statement

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
C. Cash flow from financing activities:		
Proceeds from long term borrowings	62,461,007	42,689,568
Repayment of long term borrowings	(44,288,306)	18,172,701
Proceeds from share allotment under employees stock options plan	14,599,244	(48,009,766)
Interest paid	(28,391,909)	20,387,079
Dividend paid (including corporate dividend tax)	(731,366,132)	(27,477,977)
Net cash used in financing activities (C)	<u>(726,986,096)</u>	<u>(664,188,474)</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>(164,628,722)</u>	<u>143,444,242</u>
Adjustment on account of exchange rate	155,103,732	(71,659,688)
Cash acquired on acquisition of Incessant Technologies Private Limited	650,356,105	-
Cash and cash equivalents as at the beginning of the year (Refer note 19)	2,237,796,146	2,166,011,592
Cash and cash equivalents at the end of the year (Refer note 19)	<u>2,878,627,262</u>	<u>2,237,796,146</u>
Cash and Cash Equivalents comprise of:		
Cash on hand	581,420	212,181
Cheques, drafts on hand	125,332,375	49,740,833
Current accounts	2,363,153,467	2,122,189,951
Fixed deposit accounts (less than 3 months maturity)	389,560,000	65,653,181
	<u>2,878,627,262</u>	<u>2,237,796,146</u>
Effect of exchange differences on balances with banks in foreign currency	155,103,732	(71,659,688)

Notes :-

- 1 The above Consolidated Cash Flow statement has been prepared as per the indirect method set out in AS-3 specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- 2 The enclosed notes 1 to 44 form an integral part of the cash flow statement
- 3 Figures in parenthesis indicate cash outgo.
- 4 Previous Year figures have been regrouped/reclassified to conform to current year's classification.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Price Waterhouse**

Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar

Chairman & Managing Director
DIN 00042516

Arvind Thakur

CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan

Partner
Membership No.084451

Amit Kumar Garg

Chief Financial Officer

Lalit Kumar Sharma

Company Secretary and Legal Counsel

Place : Noida

Date : May 6, 2016

Consolidated Notes to the financial statements

1 General Information

NIIT Technologies Limited ("the Company") is a leading IT solutions organization, engaged in Application Development & Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in the Financial Services, Insurance, Travel, Transportation & Logistics, Manufacturing & Distribution and Government sectors. The Company delivers services around the world directly and through its network of subsidiaries and overseas branches. The Company is a public listed company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2 Summary of significant accounting policies

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of National Finance Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of Company's business 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 and non current classification of assets and liabilities.

2.1 Basis of consolidation

The consolidated financial statements are prepared in accordance with Accounting Standard-21 "Consolidated Financial Statement" and Accounting Standard-27 "Financial Reporting of Interests in Joint Ventures" specified in Companies (Accounting Standard) Rules, 2006. These consolidated financial statements include accounts of NIIT Technologies Limited, (Parent Company), its subsidiary undertakings (NIIT Technologies Group/ Group). Subsidiary undertakings are those companies in which NIIT Technologies Limited, directly or indirectly, has an ownership of more than one half of voting power or otherwise has power to exercise control over the operations and to obtain economic benefits. The subsidiaries are consolidated from the date of acquiring majority ownership on which effective control is transferred to the Group and are no longer consolidated from the date of disposal. On acquisition, consideration paid less net assets acquired is considered as Goodwill. All material inter-group transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable. Separate disclosure is made for minority interests. Also, refer note 34 below.

2.2 Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses. Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the future benefit from the existing assets beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statement under the head "Other current assets". Any expected loss is recognized immediately in the Consolidated Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

2.3 Depreciation

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert, which are higher than those rates specified under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The estimates of useful lives of the assets are as follows:-

Asset	Useful life
Leasehold Land	Over the period of lease
Buildings	60 years
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

2.4 Intangible Assets

(a) Acquired intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly

Consolidated Notes to the financial statements

different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss. The amortisation rates used are:

Asset	Useful life
Computer Software-external	3 Years
Goodwill	5 Years
Patents	5 Years
Goodwill arising on Consolidation on or after 1 April 2006	Reviewed for Impairment

Project specific software are amortised over the period of the project.

(b) Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when all of the following criteria are met:

It is technically feasible to complete the intangible asset so that it will be available for use or sale.

There is an intention to complete the asset

There is an ability to use or sale the asset

The asset will generate future economic benefits

“Adequate resources are available to complete the development and to use or sell the asset.”

The expenditure attributable to the intangible asset during development can be measured reliably.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use and it is amortised on straight line basis over the estimated useful life.

2.5 Impairment of Assets

Assessment is done at each Consolidated Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Consolidated Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.7 Inventories

Inventories are stated at lower of costs and net realisable value. Cost is determined using first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of purchase and the estimated cost necessary to make sale.

2.8 Revenue Recognition

“Software Services: The Company derives a substantial part of its revenue from time and material contracts where the revenue is recognized on a man month basis. Also, the Company derives revenues from fixed price contracts where revenue is recognised based on proportionate completion method. The foreseeable losses on the completion of contract, if any, are provided for.

Revenues from the sale of software and equipment's are recognised when the significant risk and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of trade discount, rebate and sales tax.

Sale of services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exist regarding the amount of consideration that will be derived from rendering of services and are recognised net of service tax.”

2.9 Other Income

Dividend : Dividend income is recognised when the right to receive dividend is established.

Interest : Interest on loans and fixed deposits are booked on time proportion basis taking into account the amounts invested and rate of interest applicable.

2.10 Employee Benefits

(a) Retirement Benefit Plans

Provident Fund (India based employees)

Employees Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is

Consolidated Notes to the financial statements

actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the Consolidated 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 Consolidated Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

(b) Defined Contribution Plan

Superannuation (India based employees)

The Group makes defined contribution to a Trust established for the purpose by NIIT Technologies Limited. The Group has no further obligation beyond its monthly contributions.

The Company's contribution towards Superannuation Fund is charged to Consolidated Statement of Profit and Loss.

(c) Defined Benefit Plan

Gratuity (India based employees)

Gratuity is a post employment defined benefit plan. The liability recognised in the Consolidated Balance Sheet in respect of Gratuity is the present value of the defined benefit obligation at the Consolidated 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 Consolidated Statement of Profit and Loss in the year in which they arise.

Overseas employees

In respect of those employees, where applicable, the companies make defined contributions on a monthly basis towards retirement benefit plans which is charged to the Consolidated Statement of Profit and Loss.

(d) Other Employees Benefit Plan

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 recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

2.11 Employee Stock Option Plan

Equity settled stock options granted under "NIIT Technologies Stock Option Plan 2005" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Consolidated Statement of Profit and Loss on a straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the un-amortised portion.

2.12 Foreign Currency Translation

For the purposes of consolidation, the operations of overseas subsidiaries are considered non integral in nature and accordingly, their assets and liabilities are translated at the year end exchange rate and income and expenditure items are translated at standard rates that approximate the exchange rate prevailing on the date of transaction. The resultant translation adjustment is reflected as a separate component of shareholders' funds as 'Cumulative Translation Reserve'. Upon disposal or dissolution of overseas subsidiaries, the balance in Cumulative Translation Reserve in relation to the subsidiary is transferred to the Consolidated Statement of Profit and Loss.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the monthly average rate.

Subsequent Recognition

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 recognised in the Consolidated Statement of Profit and Loss.

2.13 Hedge Accounting

In accordance with its risk management policies and procedures, the Company uses derivative instruments such as foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecasted transactions. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value and are re-measured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss (net of tax impact) is recognised directly in shareholders' funds under hedging reserve to the extent considered highly effective. Gain or loss on derivative instruments that either do not qualify for hedge accounting or are not designated as cash flow hedges or designated as cash flow hedges to the extent considered ineffective are recognised in the Consolidated Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires,

Consolidated Notes to the financial statements

sold, terminated, or exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognized in shareholder's funds under hedging reserve is retained there until the forecasted transaction occurs subsequent to which the same is adjusted against the related transaction in the Consolidated Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders fund is transferred to Consolidated Statement of Profit and Loss in the same period.

2.14 Leases

Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis over the term of the related lease agreement.

Operating Lease: Lease in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating lease. Payments made under operating leases are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the period of lease.

Finance lease transactions are considered as financing arrangements and the leased asset is capitalised at an amount equal to the present value of the future minimum lease payments and corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charges and reduction of outstanding liability in relation to leased asset.

2.15 Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.16 Current and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Consolidated Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Consolidated Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and therein an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws. Minimum Alternative Tax ("MAT Credit") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Consolidated Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period

2.17 Provisions and Contingent Liabilities

"Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Consolidated Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 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."

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
3 Share Capital		
Authorised		
75,000,000 (Previous Year 75,000,000)		
Equity Shares of Rs.10 each	750,000,000	750,000,000
Issued, Subscribed and Paid up		
61,186,524 (Previous Year 61,044,899) Equity	611,865,240	610,448,990
Shares of Rs. 10 each		

(a) Reconciliation of Number of equity Shares

Particulars	Equity Shares			
	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Balance at the beginning of the year	61,044,899	610,448,990	60,701,174	607,011,740
Shares issued during the year (Refer note :41)	141,625	1,416,250	343,725	3,437,250
Balance at the end of the year	61,186,524	611,865,240	61,044,899	610,448,990

(b) Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. 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.

(c) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

Name of Shareholder	Equity Shares			
	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NIIT Limited	14,493,480	23.69	14,493,480	23.74
Fidelity Management and Research Company A/c Fidelity Advisor Series 1 Fidelity Advisor Small Cap Fund	3,800,000	6.21	3,800,000	6.22
Edgbaston Asian Equity Trust	-	-	3,441,439	5.64
HDFC Trustee Company Limited	3,865,850	6.32	3,400,000	5.57

(d) Equity shares reserved for issue under option

Refer note 41 for details of equity shares to be issued under the Employee Stock Option Plan

(e) Equity shares allotted as fully paid up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2016 : 1,935,468 equity shares were issued in the last 5 years under Employee Stock Option Plan as consideration for services rendered by employees (Refer note 41))
4a Reserves and surplus

Capital Reserves	10,630,919	10,630,919
Capital Redemption Reserve	16,570,603	16,570,603
Security Premium Reserve		
Balance as at the beginning of the year	305,315,515	245,914,655
Add: Transferred from stock options outstanding	39,337,659	59,400,860
Balance as at the end of the year	344,653,174	305,315,515

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
Employee Stock Options outstanding		
Options granted till date	29,970,445	26,612,832
Add: Compensation for options granted during the year	29,918,916	23,680,914
Less: deferred employee stock compensation	24,474,937	20,323,301
Balance as at the end of the year	<u>35,414,424</u>	<u>29,970,445</u>
General Reserve		
Balance as at the beginning of the year	2,094,589,260	1,926,516,927
Add: Balance transferred from Consolidated Statement of Profit and Loss	211,775,056	168,072,333
Balance as at the end of the year	<u>2,306,364,317</u>	<u>2,094,589,260</u>
Surplus in Consolidated Statement of Profit and Loss		
Balance as at the beginning of the year	9,620,339,258	9,367,319,283
Add: Profit for the year	2,799,630,774	1,140,659,763
Less: Appropriations		
Dividend paid (Relating to Previous Year)	251,750	424,800
Corporate dividend tax on above	49,989	72,195
Proposed dividend on equity shares	611,865,240	579,926,541
Corporate dividend tax	124,561,133	118,060,663
Transitional impact consequent to change in useful lives of Tangible Fixed Assets (Refer note 40)	-	21,083,256
Transferred to General Reserve	211,775,056	168,072,333
Balance as at the end of the year	<u>11,471,466,864</u>	<u>9,620,339,258</u>
Hedging Reserve Surplus	<u>137,031,891</u>	<u>130,808,355</u>
Total	<u>14,322,132,192</u>	<u>12,208,224,355</u>
The General Reserve is as per the requirements of Companies Act, 2013 in respect of companies incorporated in India. General Reserve, if any of overseas subsidiaries are included as part of the Consolidated Statement of Profit and Loss.		
Cumulative Translation Reserve		
Balance as at the beginning of the year	754,799,054	949,793,376
Increase/(decrease) during the year	218,675,441	(194,994,322)
	<u>973,474,495</u>	<u>754,799,054</u>
Total	<u>15,295,606,687</u>	<u>12,963,023,409</u>
4b Minority interest		
Balance as at the beginning of the year	188,682,785	189,041,198
Add : Minority share in the results for the year	170,064,761	78,569,648
Add : 49% Minority share in acquisition during the year (Incessant Technologies Private Limited)	324,245,480	-
Less: 40% Minority share in dividend declared by NIIT Media Technologies LLC	(31,598,645)	(45,808,645)
Less : 11% Minority share in dividend declared by ESRI India Technologies Limited	(5,173,290)	(27,517,500)
Less : 11% Minority share of corporate dividend tax on dividend declared by ESRI India Technologies Limited	(1,053,160)	(5,601,916)
	<u>645,167,931</u>	<u>188,682,785</u>

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
5 Long-term borrowings		
Secured		
Vehicle loan		
From Financial Institution/bank	62,954,377	47,699,038
Unsecured		
Other loans and advances		
Finance lease obligations	837,329	830,041
	<u>63,791,706</u>	<u>48,529,079</u>
<p>(a) Term loans from Financial Institution are secured by way of hypothecation of the vehicles financed. The loan amount along with interest are repayable over the period of 3 to 5 years (equal monthly instalments) from the date of sanction of loan.</p>		
6 Long-term provisions		
Provision for employee benefits		
Provision for compensated absences	424,401,262	338,521,997
Provision for gratuity (Refer note 28)	87,930,387	-
Other provisions		
Provision for estimated loss on completion [Refer note (a) below]	155,938,988	67,960,049
Provision for contract warranties [Refer note (b) below]	38,818,181	54,982,223
Provision for restoration of building [Refer note (c) below]	28,612,925	21,968,154
Top Talent Reward Program (Refer note 42)	112,229,521	-
	<u>847,931,264</u>	<u>483,432,423</u>
(a) Provision for estimated loss on completion		
Balance as at the beginning of the year	67,960,049	-
Adjustment*	87,978,939	-
Additions	-	67,960,049
Balance as at the end of the year	<u>155,938,988</u>	<u>67,960,049</u>
(b) Provision for contract warranties		
Balance as at the beginning of the year	54,982,223	-
Adjustment *	(5,601,271)	-
Additions	-	54,982,223
Amount No longer required written back	10,562,771	-
Balance as at the end of the year	<u>38,818,181</u>	<u>54,982,223</u>
<p>* Amount of Rs. 5,601,271 (Previous Year Rs Nil) and Rs. 82,377,668 (Previous Year Rs. Nil) has been transferred from provision for contract warranties and short term provision for estimated loss on completion, respectively.</p>		
(c) Provision for restoration of building		
Balance as at the beginning of the year	21,968,154	17,431,105
Additions	6,644,771	4,537,049
Balance as at the end of the year	<u>28,612,925</u>	<u>21,968,154</u>
7 Trade payables		
Acceptance	3,016,352	57,972,954
Trade payables	1,651,185,665	2,076,606,389
	<u>1,654,202,017</u>	<u>2,134,579,343</u>

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

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As At March 31, 2016	As At March 31, 2015
8 Other current liabilities		
Capital creditors	194,762,167	218,402,047
Term loans from financial institution/bank [Refer note (a) below]	38,913,419	35,996,057
Interest accrued but not due on borrowings	-	5,268,566
Current maturities of finance lease obligations	694,975	1,620,310
Advances from customers	6,332,982	10,822,766
Unclaimed dividend [Refer note (b) below]	14,480,479	14,438,252
Income received in advance (deferred / unearned revenue)	314,765,793	329,000,255
Employee benefits payable	971,059,857	668,414,962
Statutory dues including provident fund and tax deducted at source	490,683,333	431,515,913
Amount payable to customer on contract settlement (Refer note 32)	-	273,302,675
	<u>2,031,693,005</u>	<u>1,988,781,803</u>

(a) The term loans from Financial Institution are secured by way of hypothecation of the vehicles financed. The loan amount along with interest are repayable over the period of 3 to 5 years from the date of sanction of loan.

(b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 2013 as at the year end.

9 Short-term provisions

Provision for employee benefits

Provision for compensated absences	233,891,413	216,864,366
Provision for gratuity	2,593,483	56,088,946

Provision for others

Proposed dividend on equity shares	617,038,530	607,444,041
Corporate dividend distribution tax	125,614,293	123,662,579
Provision for contract warranties [Refer note (a) below]	78,000,741	44,240,402
Provision for estimated loss on completion [Refer note (b) below]	100,992,102	175,748,416
Provision for liquidated damages* [Refer note (c) below]	<u>182,863,321</u>	<u>125,635,378</u>
	<u>1,340,993,883</u>	<u>1,349,684,128</u>

(a) Provision for contract warranties

Balance as at the beginning of the year	44,240,402	7,939,492
Adjustments #	(7,621,354)	-
Additions	41,381,693	44,240,402
Amount used	-	7,939,492
Balance as at the end of the year	<u>78,000,741</u>	<u>44,240,402</u>

(b) Provision for estimated loss on completion

Balance as at the beginning of the year	175,748,416	-
Adjustments #	7,621,354	-
Additions	-	175,748,416
Amount used	<u>82,377,668</u>	-
Balance as at the end of the year	<u>100,992,102</u>	<u>175,748,416</u>

(c) Provision for liquidated damages

Balance as at the beginning of the year	125,635,378	-
Adjustments **	47,127,224	-
Additions	126,533,480	125,635,378
Amount no longer required written back	<u>116,432,761</u>	-
Balance as at the end of the year	<u>182,863,321</u>	<u>125,635,378</u>

* The Company has made provisions for the above on a best estimate of the conditions prevailing as at the year end. The final amount that would be ultimately payable would be determined only at the time of closure of respective contracts. The Company does not expect any reimbursements in respect of the above provisions.

#Amount transferred from provision for contract warranties to provision for estimated loss on completion .

**Amount transferred from provision for doubtful debts (Refer Note 18)

Consolidated Notes to the financial statements

10 Tangible Assets

(All amounts in Rs. unless otherwise stated)

Description of Assets	GROSS BLOCK			DEPRECIATION					NET BLOCK As at March 31, 2016			
	As at April 1, 2015	Additions during the year	Disposal -	Translation Adjust- ment	As at March 31, 2016	Depreciation on assets acquired pursuant of subsidiary during the year	For the Year	Transitional impact adjusted to opening retained earnings		Disposal/ Adjustments	Translation Adjustment	
Land - Freehold	167,165	-	-	-	167,165	-	3,463,576	-	-	-	30,516,345	167,165
Land - Leasehold	300,912,075	-	-	-	300,912,075	27,052,769	-	-	-	-	117,972,671	270,395,730
Buildings	1,264,586,278	-	1,135,764,318	-	2,400,350,596	88,451,190	29,521,481	-	-	-	-	2,282,377,925
Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-
Computers & Peripherals :	-	-	-	-	-	-	-	-	-	-	-	-
Own	1,845,424,674	24,233,545	429,191,791	31,846,530	2,279,818,404	1,253,192,019	337,661,426	18,436,361	31,152,767	9,741,246	1,587,878,285	691,940,119
Lease Financed	10,460,653	-	1,576,194	-	11,913,831	9,861,259	747,082	-	-	(147,779)	10,460,562	1,453,369
Office Equipment	225,251,098	4,102,609	102,183,593	14,982,874	5,240,950	159,437,661	53,783,778	2,275,846	14,112,335	3,954,640	205,339,590	116,445,786
Others	1,062,850,829	-	382,372,316	11,421,111	1,434,938,015	275,295,739	141,088,504	-	9,247,427	6,765,560	407,813,376	1,027,124,639
Furniture & Fixtures	520,561,171	2,489,115	247,549,974	35,559,017	739,348,629	244,834,101	62,642,278	1,855,036	31,952,355	3,354,014	280,734,074	458,614,555
Lease Hold Improvements	216,436,894	3,183,178	11,450,838	57,894,777	174,105,415	207,743,227	1,224,344	1,224,344	56,074,338	476,646	163,291,413	10,814,002
Vehicles	219,745,796	22,425,365	83,663,712	33,165,797	292,673,076	62,730,807	34,068,309	5,115,402	17,155,634	-	84,758,884	207,914,192
Total	5,666,396,633	56,447,812	2,393,752,736	184,880,106	7,956,012,682	2,328,598,772	672,897,968	28,707,969	159,694,856	18,255,327	2,888,765,200	5,067,247,482

Description of Assets	GROSS BLOCK			DEPRECIATION					NET BLOCK As at March 31, 2015			
	As at April 1, 2014	Additions during the year	Disposal -	Translation Adjust- ment	As at March 31, 2015	Depreciation on assets acquired pursuant of subsidiary during the year	For the Year	Transitional impact adjusted to opening retained earnings		Disposal/ Adjustments	Translation Adjustment	
Land - Freehold	167,165	-	-	-	167,165	-	3,463,576	-	-	-	27,052,769	167,165
Land - Leasehold	300,912,075	-	-	-	300,912,075	23,589,193	-	-	-	-	117,972,671	270,395,730
Buildings	1,253,095,737	-	11,480,542	(1)	1,264,586,278	64,824,627	23,626,563	-	-	-	88,451,190	2,282,377,925
Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-
Computers and peripherals :	-	-	-	-	-	-	-	-	-	-	-	-
Own	1,313,840,712	578,030,732	42,990,405	(3,456,365)	1,845,424,674	1,007,164,121	286,964,543	4,249,154	42,784,212	(2,391,587)	1,253,192,019	592,232,655
Lease financed	31,567,012	92,556	21,540,374	341,459	10,460,653	29,840,293	1,237,080	-	21,521,890	305,776	9,861,259	589,394
Office equipment	225,619,933	11,947,512	13,968,540	1,652,293	225,251,098	107,539,279	47,981,150	16,811,713	13,833,329	938,848	159,437,661	65,813,437
Others	697,942,933	370,308,265	4,667,660	(732,169)	1,062,850,829	188,036,937	92,138,400	21,494	4,428,858	(472,234)	275,295,739	787,555,090
Furniture and fixtures	501,826,480	32,261,810	11,621,787	(1,905,332)	520,561,171	209,097,774	48,510,068	895	11,418,017	(1,356,619)	244,834,101	275,727,070
Lease hold improvements	232,891,066	206,313	14,006,154	(2,654,331)	216,436,894	211,570,777	12,126,435	-	14,006,133	(1,947,852)	207,743,227	8,693,667
Vehicles	195,445,193	48,851,823	24,551,222	2	219,745,796	41,471,985	28,200,770	-	6,941,949	-	62,730,807	157,014,989
Total	4,753,307,666	1,053,189,553	133,346,142	(6,754,444)	5,666,396,633	1,883,134,986	544,238,565	21,083,256	114,934,388	(4,923,667)	2,328,598,772	3,337,797,861

Consolidated Notes to the financial statements

11 Intangible Assets

(All amounts in Rs. unless otherwise stated)

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK			
	As at April 1, 2015	Addition pursuant to acquisition of subsidiary during the year	Additions	Disposal	Translation Adjustment	As at March 31, 2016	As at April 1, 2015	Depreciation on assets acquired pursuant of subsidiary during the year	For the Year	Transitional impact adjusted to opening retained earnings	Disposal/ Adjustments	Translation Adjustment	As at March 31, 2016	As at March 31, 2016
Acquired Software	1,828,097,168	14,812,887	263,769,205	87,054,023	17,409,890	2,037,035,127	1,146,617,441	10,368,463	372,144,092	-	88,001,131	15,158,682	1,456,287,547	580,747,580
Internally developed Software	226,542,119	-	-	-	6,403,902	232,946,021	54,382,358	-	40,635,547	-	-	228,960	95,246,865	137,699,156
Patents	8,059,108	-	-	-	1,008,132	9,067,240	2,688,468	-	407,097	-	-	356,266	3,451,831	5,615,409
Goodwill	1,607,105,167	-	1,012,891,498	27,689,030	35,929,216	2,628,236,851	225,048,002	-	15,208,844	-	27,689,030	2,420,871	214,988,887	2,413,248,164
Total	3,669,803,562	14,812,887	1,276,660,703	114,743,053	60,751,140	4,907,285,239	1,428,736,269	10,368,463	428,395,580	-	115,690,161	18,164,779	1,769,974,930	3,137,310,309

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK			
	As at April 1, 2014	Addition pursuant to acquisition of subsidiary during the year	Additions	Disposal	Translation Adjustment	As at March 31, 2015	As at April 1, 2014	Depreciation on assets acquired pursuant of subsidiary during the year	For the Year	Transitional impact adjusted to opening retained earnings	Disposal/ Adjustments	Translation Adjustment	As at March 31, 2015	As at March 31, 2015
Acquired software	1,004,076,873	-	857,348,712	25,530,702	(7,797,715)	1,828,097,168	841,725,862	-	336,687,798	-	25,493,463	(6,302,766)	1,146,617,441	681,479,727
Internally developed software	38,207,502	-	207,595,074	-	(19,260,457)	226,542,119	38,207,502	-	19,910,596	-	-	(3,735,740)	54,382,358	172,159,761
Patents	9,950,548	-	-	-	(1,891,440)	8,059,108	2,843,739	-	446,906	-	-	(602,177)	2,688,468	5,370,640
Goodwill	1,702,897,632	-	-	-	(95,792,465)	1,607,105,167	208,952,826	-	15,112,570	-	-	982,606	225,048,002	1,382,057,165
Total	2,755,132,555	-	1,064,943,786	25,530,702	(124,742,077)	3,669,803,562	1,091,729,929	-	372,157,870	-	25,493,453	(9,658,077)	1,428,736,269	2,241,067,293

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As at March 31, 2016		As at March 31, 2015
12 Non-current investments			
Trade Investments (valued at cost)			
Unquoted equity instruments			
199,145 (Previous Year 199,145) Common shares in Relativity Technologies Inc., USA	40		40
953,265 (Previous Year 953,265) Common Shares in Computer Logic Inc., USA	40		40
1,064,655 (Previous Year 1,064,655) Preference shares and 189,655 (Previous Year 189,655) Common Shares in Co kinetic Systems Inc., USA	40		40
	<u>120</u>		<u>120</u>
Aggregate amount of unquoted investments	120		120
13 Deferred tax assets (net)	<u>258,739,425</u>		<u>386,350,770</u>
Deferred Tax			
Break up of deferred tax assets/ liabilities is as follows:			
	As at April 1, 2015	Charged/(Credit) during the year	As at March 31, 2016
Deferred Tax Assets / Liabilities			
Deferred Tax Assets			
a) Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation.	18,265,404	(4,836,203)	13,429,201
b) Tax impact of expenses charged in the financial statements but allowable as per deduction in the future year under income tax	395,449,269	(395,449,269)	-
c) Provision for doubtful debts and Advances	41,748,194	205,598,110	247,346,304
d) Provision for Compensated Absences, Bonus and Gratuity	179,413,341	(119,013,774)	60,399,567
e) Other Expenses	37,146,530	173,167,992	210,314,522
f) Carry forward losses/ unabsorbed depreciation	117,482,357	(37,159,949)	80,322,408
Total (A)	<u>789,505,095</u>	<u>(177,693,093)</u>	<u>611,812,002</u>
Deferred Tax Liabilities			
a) Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation	331,004,333	(20,186,797)	310,817,536
b) Tax impact of expenses not charged in the financial statements but claimed as deduction under income tax	9,645,261	2,366,513	12,011,774
Total (B)	<u>340,649,594</u>	<u>(17,820,284)</u>	<u>322,829,310</u>
Deferred Tax Assets (net) (A - B)	<u>448,855,501</u>	<u>(159,872,809)</u>	<u>288,982,692</u>
Add: Deferred Tax Asset related to fair value loss on derivative instruments not charged in the Consolidated Statement of Profit and Loss but taken to the Consolidated Balance Sheet.	(62,504,731)		(30,243,267)
Net Deferred Tax Assets	<u>386,350,770</u>		<u>258,739,425</u>

Notes :

(i) Deferred tax assets and liabilities above have been determined by applying the Income Tax rates of respective countries. Also as required by Accounting Standard 22 "Accounting for Taxes on Income" deferred tax assets and liabilities in relation to different Companies have not been offset and have been represented in the Consolidated Balance Sheet.

(ii) The movement of Deferred tax asset/liability above includes that on account of currency translation of balance of overseas subsidiaries/branches of Rs. 14,944,866 .(Previous Year Rs. 6,419,864).

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
14 Long-term loans and advances		
(Unsecured considered good, unless otherwise stated)		
Advances recoverable in cash or in kind	939,617	4,256,665
Prepaid Expenses	202,534,914	175,371,231
Security deposits		
-Considered good	88,793,841	81,345,236
-Considered doubtful	1,459,716	1,459,716
	<u>90,253,557</u>	<u>82,804,952</u>
Less -Provision for doubtful deposits	(1,459,716)	(1,459,716)
	<u>88,793,841</u>	<u>81,345,236</u>
Capital advances	8,484,900	44,819,186
Minimum alternate tax credit entitlement	615,348,581	313,003,743
	<u>916,101,853</u>	<u>618,796,061</u>
15 Other non-current assets		
Long term deposits with bank with maturity period more than 12 months	139,272,140	129,276,806
Unbilled revenue	30,928,540	38,485,482
	<u>170,200,680</u>	<u>167,762,288</u>
16 Current investments		
At cost and fair value, whichever is less:		
Unquoted		
In Mutual Fund [Refer note (a)]	740,000,000	553,555,977
	<u>740,000,000</u>	<u>553,555,977</u>

Note (a)

Scheme/Fund	As on 31st March 2016		As on 31st March 2015	
	Units	Value	Units	Value
Liquid Scheme of Mutual Fund				
Tata Liquid Fund Direct Plan-Growth	21,481	60,000,000	-	-
SBI Premier Liquid Fund-Direct Plan- Growth	29,448	70,000,000	-	-
Birla Sun Life Cash Plus-Growth-Direct Plan	332,102	80,000,000	-	-
Reliance Liquid Fund-Growth Plan Growth	33,487	100,000,000	34,199	111,672,666
Reliance Money Manager Fund-Growth Plan	24,157	50,000,000	-	-
IDFC Cash Fund Growth- Direct Plan	27,441	50,000,000	-	-
HDFC Liquid Fund-Direct Plan-Growth Option	44,128	130,000,000	5,164,463	140,000,000
ICICI Prudential Liquid-Direct Plan-Growth	267,747	60,000,000	440,064	90,000,000
UTI Liquid Cash Plan Institutional -Direct Growth	24,207	60,000,000	17,500	40,000,000
Reliance Quarterly Interval Fund-Series II-Growth	-	-	2,745,802	51,883,311
Kotak Liquid Scheme Plan -A Growth	26,295	80,000,000	-	-
Templeton Low Duration Fund-Growth	-	-	8,106,229	120,000,000
Total	<u>-</u>	<u>740,000,000</u>	<u>-</u>	<u>553,555,977</u>

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
17 Inventories		
Traded Goods		
Material in transit	-	82,355,123
Stock in trade	2,547,213	2,775,616
[Refer note (a) below]		
	2,547,213	85,130,739

Note :

(a) The Company deals in number of software and hardware items whose cost and selling price vary from item to item. In view of voluminous data information relating to major items of opening stocks, closing stocks, purchases and sales have not been disclosed in the financial statements. "

18 Trade receivables

Unsecured Considered Good	282,139,301	457,348,469
Outstanding for a period exceeding 6 months from the date they are due for payment	5,618,456,241	5,602,596,672
Others		
Unsecured considered doubtful	189,996,057	156,519,872
Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	189,996,057	156,519,872
Less: Provision for doubtful debts*	5,900,595,542	6,059,945,141

*During the year Rs. 47,127,224 (Previous Year Rs. Nil) transferred to Provision for Liquidated damages [Refer note 9(c)]

19 Cash and bank balances

Cash and cash equivalents

Cash on hand	581,420	212,181
Cheques, drafts on hand	125,332,375	49,740,833

Bank balances

Current accounts	2,363,153,467	2,122,189,951
Fixed deposit accounts (less than 3 months maturity)"	389,560,000	65,653,181
	2,878,627,262	2,237,796,146

Other bank balances

Deposits with maturity more than 3 months but less than 12 months"	468,843,934	440,232,661
Unpaid dividend account	14,480,479	14,438,252
	3,361,951,675	2,692,467,059

20 Short-term loans and advances

Unsecured, considered good unless otherwise stated

Advances recoverable in cash or in kind or for value to be received		
Considered good	395,496,640	321,857,370
Prepaid Expenses	760,706,139	696,957,276
Security deposits		
Considered good	115,049,348	83,286,593
Advance income tax	4,335,765,676	3,559,225,109
Less: Provision for income tax	3,802,838,891	3,132,151,272
	532,926,785	427,073,837
Advance fringe benefit tax	57,772,904	57,772,904
Less: Provision for fringe benefit tax	57,290,392	57,290,392
	482,512	482,512
	1,804,661,424	1,529,657,588

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
21 Other current assets		
Unsecured, considered good		
Unbilled revenue*	857,194,971	721,995,014
Less : Provision for unbilled revenue	<u>(94,400,059)</u>	<u>(39,632,492)</u>
	762,794,912	682,362,522
Interest receivable on deposit with banks	34,523,791	15,895,270
Derivative instruments fair value assets	<u>167,275,157</u>	<u>193,313,086</u>
	<u>964,593,860</u>	<u>891,570,878</u>
* Net of Rs. Nil (Previous Year Rs. 588,899,201) written off as no longer recoverable included in exceptional items (Refer note 32)		
22 Proposed dividend		
On equity shares of Rs. 10 each		
Amount of dividend proposed	611,865,240	579,926,541
Dividend per equity share	10.00	9.50
23 Contingent liabilities		
Claims against the company not acknowledged as debts		
(a) Income tax matters pending disposal by the tax authorities	532,247,766	503,297,236
(b) Claims made by customer pending under arbitration	3,230,000	3,230,000
(c) Counter claim made by a vendor in response to amount claimed by the Company as per the terms of contract, pending resolution by the High Court	-	61,807,656
(d) Excise matters pending with Commissioner, Central Excise	283,514,601	283,514,601
(e) Value Added Tax matters pending disposal by the tax authorities	5,899,134	-
24 Capital and other commitments		
Capital commitments		
Estimated value of contracts [net of capital advance of Rs 3,132,626 (Previous Year Rs 41,418,826)] in capital account remaining to be executed	303,273,516	820,272,800
	Year ended March 31, 2016	Year ended March 31, 2015
25 Revenue from operations		
Sales of products		
Traded Goods [Refer note 17(a)]	642,770,888	1,036,929,934
Sale of services	26,111,848,348	22,688,027,263
Other operating Income	69,429,548	-
	<u>26,824,048,784</u>	<u>23,724,957,197</u>
26 Other income		
Net gain on sale of investments	34,017,459	69,400,451
Dividend Income	3,067,012	-
Interest Income		
- Loans	-	405,168
- On bank deposits	74,255,047	27,595,420
- Income Tax Refund	-	5,607,985
	<u>74,255,047</u>	<u>33,608,573</u>
Miscellaneous income	61,072,880	70,112,876
Gain on exchange fluctuations (net)	<u>33,070,402</u>	<u>-</u>
	<u>205,482,800</u>	<u>173,121,900</u>
27 Changes in inventories of stock in trade		
(Increase)/ decrease in inventories		
Stocks at the beginning of year	85,130,739	52,335,466
Stocks at the end of the year	<u>2,547,213</u>	<u>85,130,739</u>
	<u>82,583,526</u>	<u>(32,795,273)</u>

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
28 Employee benefits expense		
Salaries and bonus [Refer note 32 (b)]	14,359,495,924	12,348,826,740
"Contribution to provident and other funds (Refer note a below)"	680,542,773	632,608,803
Gratuity expense [Refer note (b)(2) and note (b)(3) below]	72,519,721	140,301,613
Employee stock option scheme (Refer note 41)	17,546,337	20,692,258
Staff welfare expenses	255,997,496	189,100,816
	15,386,102,251	13,331,530,230

Employee Benefits

a) Defined Contribution Plans

The Company makes contribution towards Provident Fund, Superannuation Fund and Pension scheme, being defined contribution plans for eligible employees. The Company has charged the following costs in the Consolidate Statement of Profit and Loss

Employer's Contribution

	Year ended March 31, 2016	Year ended March 31, 2015
(i) Employer's contribution to superannuation fund	16,057,413	16,695,798
(ii) Employer's contribution to overseas plan	499,982,873	473,479,773
(iii) Employer's contribution to the authorities	7,623,303	5,438,386
(iv) Employer's contribution to the authorities	68,566,198	52,563,581
	592,229,787	548,177,538

* Branches outside India make contribution to the plans regulated by the respective country's Government Authorities. The liability of the respective entity is limited to the extent of the contributions made by it to the authorities.

b) Defined benefit plans

Disclosure in respect of defined benefit plans in accordance with Accounting Standard 15 (Revised) "Employee Benefits"

(1) Provident fund

The Group makes contribution to the "NIIT Technologies Limited Employees Provident Fund Trust" ("the Trust"), which is exempted under section 17 of Employees' Provident Fund Act, 1952 for Indian based employees. The conditions for grant of exemptions stipulate that the employer shall make good the deficiency, if any, in the interest rate declared by the Trust vis-à-vis statutory rate. As per guidance note on Accounting Standard-15, Employee Benefits (Revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The Trust includes employees of the Company as well as of other subsidiaries in accordance with the approval vide letter No. S-35015/9/2008-SS-II, dated March 20, 2009, granted by the Employees' Provident Fund Organization. In view of the same, it is a multi-employer defined benefit plan. The Company made defined contribution to Regional Provident Fund Commissioner (RPFC) from October 1, 2005 till February 29, 2009 in respect of Provident Fund. The Company has transferred these contributions along with the interest from RPFC to NIIT Technologies Limited Employees' Provident Fund Trust. The Company does not have any further obligation in this respect.

Consequent to the Actuarial Society of India issuing a guidance note on the valuation of provident fund liability, the Trust has obtained an actuarial valuation of the provident fund liability as at balance sheet date and as per the valuation report, there is surplus as on March 31, 2016. The Actuary has provided details for the disclosure requirement of the Accounting Standard 15 (Revised 2005) on "Employee Benefits" for the Trust as a whole. However, participant entities wise break-up of these disclosures is not available and accordingly, the disclosures for provident fund liability as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) have been made in these financial statements, basis actuarial report for the trust as a whole.

The Company contributed Rs 88,312,986 (Previous Year Rs.84,431,265) during the year to the Trust, which has been charged to Consolidated Statement of Profit and Loss.

(i) Amount of obligation as at the year end is determined as under

Description	Year ended March 31, 2016	Year ended March 31, 2015
Present value of obligation as at the beginning of the year	1,399,939,363	1,125,366,543
Interest cost	118,829,432	109,130,397
Current service cost	137,619,218	92,622,300
Benefits paid	(100,762,538)	(100,183,039)
Plan Participant's Contributions	236,889,043	146,413,727
Transfer In	16,180,422	(68,919,843)
Actuarial (gain) / loss on obligation	(134,379,968)	95,509,278
Present value of obligation as at the end of the year	1,674,314,972	1,399,939,363

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
(ii) Change in Plan Assets :		
Description		
Plan assets at beginning at fair value	1,415,496,521	1,151,202,214
Expected return on plan assets	142,338,410	111,981,768
Employer contributions	130,560,767	146,413,727
Plan Participant's Contributions	236,889,043	88,400,103
Benefits paid	(100,762,538)	(100,183,039)
Transfers In	16,180,422	(68,919,843)
Actuarial gain / (loss) on plan assets	(123,807,451)	86,601,591
Plan assets at year end at fair value	1,716,895,174	1,415,496,521

(iii) Amount of the obligation recognised in Balance Sheet :

Description		
Present value of the defined benefit obligation as at the end of the year	1,674,314,972	1,399,939,363
Fair value of plan assets at the end of the year	1,716,895,174	1,415,496,521
Funded status - (surplus)*	(42,580,202)	(15,557,158)

*As the funded status is in surplus there is no need for any specific provision as at March 31, 2016 towards the Provident Fund by the Company. Hence the net liability to be recognised in the balance sheet is Rs. Nil (Previous Year Rs. Nil)

(iv) Principal actuarial assumptions at the Balance Sheet date

	As at March 31, 2016	As at March 31, 2015
Discount Rate	7.80%	7.75%
Attrition rate		
Age from 20-30 years	16.00%	16.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
Age 55 & above	1.00%	1.00%

Expected Return on Assets for Exempt PF Fund

Year	Rate	Rate
2012-13	-	-
2014-16	9.19%	9.19%
2016 and thereafter	9.28%	9.19%

Long term EPFO Rate

Year	Rate	Rate
2012-13	-	-
2013-14	8.75%	8.75%
2014-15	8.75%	8.75%
2015 and thereafter	8.80%	-

(v) Experience Gain/(Loss) Adjustments

Description	March 31,2016	March 31,2015	March 31,2014
Experience Gain/(Loss) adjustments on Plan Liabilities	134,379,968	(95,509,278)	(2,722,060)
Experience Gain/(Loss) adjustments on Plan assets	(123,807,451)	86,601,591	16,073,674

(vi) Expected Contribution to the fund in the next year

	March 31,2016	March 31,2015
Provident fund	85,000,000	85,000,000

Note:

Disclosures included are limited to the extent of disclosures provided by the actuary

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

(2) Gratuity - Funded

In accordance with Accounting Standard 15 (revised 2005) an actuarial valuation was carried out in respect of gratuity: Amount of obligation as at the year end is determined as under:

Description	Year ended March 31, 2016	Year ended March 31, 2015
(i) Present value of obligation as at the beginning of the year	270,773,629	180,148,489
Acquisition adjustment	3,454,930	-
Interest cost	19,799,934	15,181,413
Current service cost	53,823,626	35,577,077
Benefits paid	(25,486,964)	(15,723,856)
Actuarial (gain)/loss on obligations	(7,896,706)	55,590,506
Present value of obligation as at the end of the year	314,468,449	270,773,629

(ii) Change in Plan Assets:

Description		
Balance as at beginning of the year	275,001,521	203,941,056
Expected return on plan assets	23,008,268	20,097,618
Contributions	4,801,856	67,215,916
Benefits paid	(25,486,964)	(15,723,856)
Actuarial (gain)/loss on plan assets	(2,040,512)	(529,213)
Balance as at end of the year	275,284,169	275,001,521

(iii) Amount of the obligation recognised in the Consolidated Balance Sheet:

Description	As at March 31, 2016	As at March 31, 2015
Present value of the defined benefit obligation at the end of the year	314,468,449	270,773,629
Fair value of plan assets at the end of the year	275,284,169	275,001,521
Liability/ (Assets) recognised in the Consolidated Balance Sheet	39,184,280	(4,227,892)
Recognised under :		
Long Term Provision (Refer note 6)	38,488,122	-
Short Term Provision (Refer note 9)	696,158	2,567,924
Total	39,184,280	2,567,924

*Net of surplus of Rs. Nil (Previous Year Rs. 6,795,816) related to the Parent Company not recognised as an asset in these financial statements.

(iv) Amount of gratuity expense recognised in the Consolidated Statement of Profit and Loss.

Description	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	53,823,626	35,577,077
Interest cost	19,799,934	15,181,413
Expected return on plan assets	(23,008,268)	(20,097,618)
Actuarial (gain)/loss recognised during the year	(5,856,194)	56,119,719
Total	44,759,098	86,780,591

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

(v). Amount recognised in current year and previous four years

Description	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Present value of the defined benefit obligation as at the end of the year	(314,468,449)	(270,773,629)	(180,148,489)	(149,136,240)	(109,366,022)
Fair value of plan assets at the end of the year	275,284,169	275,001,521	203,941,056	158,150,710	124,456,980
(Liability) / assets recognised in the Consolidated Balance Sheet	(39,184,280)	4,227,892	23,792,567	9,014,470	15,090,958
Experience (gain)/loss adjustment on plan liabilities	(7,896,706)	55,590,506	3,203,427	(14,796,370)	12,271,750
Experience (gain)/loss adjustment on plan assets	2,040,512	(529,213)	1,191,710	(1,261,260)	(572,190)

(vi) Investment details of plan assets:

The plan assets are maintained with the Life Insurance Corporation of India. The details of investment maintained by the Life Insurance Corporation of India are not available with the respective Company and have not been disclosed.

(vii) Principal actuarial assumptions at the Consolidated Balance Sheet date:

Description	As at March 31, 2016	As at March 31, 2015
Discounting rate	7.90%	7.90%
Expected rate of return on plan assets	8.75%	8.75%
Salary growth rate	Salary rate 7% for first 3 years and 6% thereafter	Salary rate 7% for first 3 years and 6% thereafter
Attrition rate		
Age from 20-30 years	16.00%	16.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
Age 55 & above	1.00%	1.00%
Expected average remaining working lives of employee (years)	12	12

The estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Overseas Branches and Subsidiaries

Description	As at March 31, 2016	As at March 31, 2015
Discounting rate	3.50%	3.50%
Salary growth rate	4%	4%
Attrition rate		
Age from 20-30 years	16%	16%
31-34	10%	10%
35-44	5%	5%
45-50	3%	3%
51-54	2%	2%
Age 55 & above	1%	1%
Expected average remaining working lives of employee (years)	14	12

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

(3) Gratuity(Non funded)

In accordance with Accounting Standard 15 (revised 2005) an actuarial valuation was carried out in respect of gratuity:
Amount of obligation as at the year end is determined as under:

Description	Year ended March 31, 2016	Year ended March 31, 2015
(i) Present value of obligation as at the beginning of the year	53,521,022	-
Interest cost	1,952,744	-
Current service cost	27,388,750	-
Benefits paid	(28,322,206)	-
Actuarial (gain)/loss on obligations	(3,200,720)	53,521,022
Present value of obligation as at the end of the year	51,339,590	53,521,022
(ii) Amount of the obligation recognised in the Consolidated Balance Sheet:		
Description		
Present value of the defined benefit obligation at the end of the year	51,339,590	53,521,022
Fair value of plan assets at the end of the year	-	-
Liability recognised in the Consolidated Balance Sheet	51,339,590	53,521,022

(iii) Amount of gratuity expense recognised in the Consolidated Statement of Profit and Loss.

Description		
Current service cost	27,388,750	-
Interest cost	1,952,744	-
Expected return on plan assets	-	-
*Actuarial (gain)/loss recognised during the year [includes foreign currency impact Rs. 1,619,849 (Previous Year Rs. Nil)] *	(1,580,871)	53,521,022
Total	27,760,623	53,521,022
Recognised under :		
Long Term Provision (Refer note 6)	49,442,265	-
Short Term Provision (Refer note 9)	1,897,325	53,521,022
Total	51,339,590	53,521,022

(iv). Amount recognised in current year and previous years

Description		
Present value of the defined benefit obligation as at the end of the year	(51,339,590)	(53,521,022)

(v) Principal actuarial assumptions at the Consolidated Balance Sheet date:

Description	As at March 31, 2016	As at March 31, 2015
Discounting rate	7.90%	7.90%
Salary growth rate	Salary rate 7% for first 3 years and 6% thereafter	Salary rate 7% for first 3 years and 6% thereafter
Attrition rate		
Age from 20-30 years	16.00%	16.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
Age 55 & above	1.00%	1.00%
Expected average remaining working lives of employee (years)	12	12

The estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Overseas branches and Subsidiaries

Description	As at March 31, 2016	As at March 31, 2015
Discounting rate	3.50%	3.50%
Salary growth rate	4%	4%
Attrition rate		
Age from 20-30 years	16%	16%
31-34	10%	10%
35-44	5%	5%
45-50	3%	3%
51-54	2%	2%
Age 55 & above	1%	1%
Expected average remaining working lives of employee (years)	14	12

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
29 Finance costs		
Interest on borrowings	14,171,272	26,818,539
Other borrowing costs	8,952,071	212,823
Bank and financial charges	25,671,880	29,660,952
	48,795,223	56,692,314
30 Depreciation and amortization expense		
Depreciation on tangible assets (Refer note 10)	672,897,968	544,238,585
Amortisation on intangible assets (Refer note 11)	428,395,580	372,157,870
	1,101,293,548	916,396,455
31 Other expense		
Rent	471,689,114	491,968,093
Rates and taxes	48,802,207	45,304,399
Electricity and water	166,903,022	154,613,632
Communication expenses	269,964,145	225,098,209
Legal and professional [Refer note (a) below]	535,387,814	529,994,152
Travelling and conveyance	1,024,122,750	837,303,894
Recruitment expenses	138,859,363	81,941,733
Insurance premium	68,998,749	66,046,932
Loss on exchange fluctuations (net)	-	127,679,886
Repairs and maintenance		
- Plant and machinery	293,574,095	278,300,789
- Buildings	8,899,368	4,137,088
- Others	393,571,913	356,428,298
Provision for doubtful debts including bad debt written off (net)	118,596,368	104,430,799
Provision for Unbilled revenue including written off (net)	81,688,190	24,831,202
Lease rentals	10,020,469	9,309,413
Loss on sales of assets (net)	11,581,306	9,897,809
Expenditure towards Corporate Social Responsibilities activities	54,814,299	53,544,213
Advertisement and publicity expenses	137,824,580	78,824,212
Business promotion expenses	170,954,206	145,985,734
Professional charges	1,381,596,270	1,346,109,291
Provision for contract warranties (net)	30,818,922	99,222,625
Provisions for estimated loss on completion (net)	-	243,708,465
Provision for liquidated damages (net)	10,100,719	125,635,378
Equipment hiring	34,540,715	17,654,609
Consumables	226,389,378	228,537,480
Other production expenses	432,794,101	248,707,956
Miscellaneous expenses	165,037,058	154,726,644
	6,287,529,121	6,089,942,935
a) Payment to auditors (excluding service tax)		
Particulars		
-As auditor	15,899,986	14,936,650
-For reimbursement of actual out of pocket expenses	1,442,687	1,728,417
Payment to other auditors amount to Rs. 24,210,297 (Previous Year Rs. 17,881,850).		
(b) Expenses capitalised as a part of Capital Work-in-progress :		
Electricity and water	3,630,402	1,917,197
Legal and professional	7,851,006	5,598,513
Miscellaneous expenses	9,629,970	6,830,009
Total	21,111,378	14,345,719

32 Details of Exceptional items charged to Consolidated Statement of Profit and Loss:

During the year 2015-16, in respect of an ongoing service agreement ("agreement") under dispute as at March 31, 2015 with a customer in a subsidiary, mutual settlement was reached between the customer and the Company (including subsidiary, together referred to as the Company) for termination of contract, and release for customer and the Company from further obligations under the agreement. As per the terms of the settlement, the Company has paid a settlement amount to the customer upon receipt of which the customer has released the bank guarantees of Rs. 142,590,000 and corporate guarantee of Rs. 926,835,000 issued by the Company. Consequent to the above, in line with AS-29 and AS-4, the Company recognised the resultant impact of the above in the financial statements as at March 31, 2016 and disclosed the same as an exceptional item in the Consolidated Statement of Profit and Loss, comprising the following:

For the year 2015-16, it represents an additional provision for bonus related to the period April 1, 2014 to March 31, 2015 pursuant to the retrospective amendment to "The payment of Bonus Act, 1965" notified on January 1, 2016.

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

	Year ended March 31, 2016	Year ended March 31, 2015
(a) Particulars of exceptional items		
Amount payable to customer for settlement costs on contract termination; and unbilled revenue no longer recoverable written off	-	865,681,776
Related costs on contract settlement comprising:		
Travel	-	3,133,497
Legal and professional	-	19,506,009
Less: Provisions for expenses for completion of ongoing service agreement no longer required written back	-	(88,769,825)
	-	799,551,457
(b) Additional provision for bonus related to the period April 1, 2014 to March 31, 2015 pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.	13,156,528	-
	13,156,528	799,551,457

33 Working Capital Limits of the Parent Company of Rs. 3,000,000,000 (Previous Year Rs. 3,000,000,000) are secured by a first charge on book debts and by a second charge on movable assets of the Parent Company. The Parent Company has not utilized the fund based limit as at the year-end (Previous Year Rs Nil).

34 Consolidation

a) Details of NIIT Technologies Limited's subsidiaries all of which have been considered in these consolidated accounts on a line by line basis are as follows:

Subsidiary	Percentage of ownership Interest as at March 31, 2016	Percentage of ownership Interest as at March 31, 2015	Country of Incorporation
ESRI India Technologies Limited (Erstwhile NIIT GIS Limited)	88.99	88.99	India
NIIT Smart Serve Limited	100	100	India
NIIT Technologies Inc.	100	100	United States
NIIT Technologies Ltd, UK	100	100	United Kingdom
NIIT Technologies Co. Ltd.(Erstwhile NIIT Technologies KK) (Held by NIIT Tech, USA)	100	100	Japan
NIIT Technologies Pte Ltd	100	100	Singapore
NIIT Technologies BV, Netherlands (Held by NIIT Tech, UK)	100	100	Netherlands
NIIT Technologies NV (Held by NIIT Tech BV, Netherlands) (Refer note (i) below)	100	100	Belgium
NIIT Technologies Limited (Held by NIIT Tech, Singapore)	100	100	Thailand
NIIT Technologies Pty Limited (Held by NIIT Tech, Singapore)	100	100	Australia
NIIT Technologies GmbH	100	100	Germany
NIIT Technologies AG (Held by NIIT Tech GmbH, Germany) (Refer note (i) below)	100	100	Switzerland
NIIT Insurance Technologies Limited, United Kingdom (Held by NIIT Tech, UK)	100	100	United Kingdom
NIIT Technologies Limited (refer note (ii) below)	-	100	Canada
NIIT Airline Technologies GmbH, Germany	100	100	Germany
NIIT Technologies FZ LLC	100	100	Dubai
NIIT Technologies Services Limited	100	100	India
NIIT Media Technologies LLC (JV Company – 60% by NIIT Technologies Inc., USA)	60	60	United States
NIIT Technologies S.A., (erstwhile Proyecta Systemas de Information S.A.)	100	100	Spain
NIIT Technologies Philippines Inc	100	100	Philippines
NIIT Technologies Brazil Ltd.	100	100	Brazil
Incessant Technologies Private Limited (Refer note (iii) below)	51	-	India

(i) The Company has incorporated branches in Belgium and Switzerland which became operational effective April 01, 2016. The process for closure of the subsidiaries in these countries has been initiated.

(ii) The subsidiary in Canada has been closed during the year

(iii) Acquisition / incorporation of subsidiaries during the year

NIIT Technologies Limited, acquired 51% stake in Incessant Technologies Private Limited with effect from May 2015 for a consideration of Rs 1,350,371,487. The assets and liabilities on the date of acquisition and the resultant goodwill on consolidation included in these financial statements are as follows:

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

Total Assets	1,095,829,573
Less: Total Liabilities	434,104,104
Net Assets	661,725,469
Purchase Consideration	1,350,371,487
49% Minority share	324,245,480
Resultant Goodwill on Consolidation	<u>1,012,891,498</u>

35 Taxation

Current tax

The Group has availed deductions available under the provisions of section 10 AA and 80IC of the Indian Income Tax Act, 1961 applicable to Units registered with Special Economic Zone (SEZ) and backward area respectively.

In addition to Indian operations, the Company has accounted for the tax liability/reliefs in respect of its overseas subsidiaries and overseas branches in accordance with the tax legislations applicable in respective countries.

36 Earnings per share :

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic		
Profit attributable to equity shareholders (Rs.) - (A)	2,799,630,774	1,140,659,763
Weighted average number of equity shares outstanding during the year - (B)	61,103,827	60,855,494
Basic earnings per share Rs.	45.82	18.74
Diluted		
Profit attributable to equity shareholders (Rs.) - (A)	2,799,630,774	1,140,659,763
Weighted average number of equity shares outstanding during the year - (B)	61,103,827	60,855,494
Add : Weighted average number of potential equity shares on account of employee stock options	357,623	322,646
Weighted average number of shares outstanding for dilutive EPS (C)	61,461,450	61,178,140
Diluted EPS	45.55	18.64
Face value per share	10.00	10.00

The Company has issued 141,625 (Previous Year 343,725) equity shares under its ESOP Scheme during the year. The same has been adjusted for both the years presented above.

Earning Per Share had fair value method been employed for accounting for Employee Stock Option (Refer note 41).

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit attributable to Equity shareholders (Rs.) - (D)	2,777,876,393	1,123,959,009
Basic Earnings per share (Rs) (D / B)	45.46	18.47
Diluted Earnings per share (Rs) (D / C)	45.20	18.37

37 Related Party Disclosures as per Accounting Standard 18

A List of related parties with whom the Group has transacted:

a) Parties of whom the Group is an associate and its subsidiaries

NIIT Limited (Includes Scantech Evaluation Services Limited and Evolve Services Limited)

NIIT USA Inc.

NIIT Limited, UK

NIIT Institute of Finance Banking and Insurance Training Ltd

NIIT China (Shanghai) Ltd

b) Key Managerial personnel

Rajendra S Pawar, Chairman and Managing Director

Vijay K Thadani, Non Executive Director

Arvind Thakur, Chief Executive Officer and Joint Managing Director

Amit Kumar Garg, Chief Financial Officer

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

c) Parties in which the key managerial personnel or the relatives of the key managerial personnel are interested.

Naya Bazar Novelties Private Limited
 NIIT Institute of Information Technology
 Indian School of Business
 NIIT University

B Details of transaction with related parties carried out on an arms length basis:

Nature of Transactions	Parties in whom the Group is an associate and it's subsidiaries	Key Managerial Personnel	Parties in which Key Managerial Personnel of the Group are interested	Total
Recovery from NIIT Limited Group (Note 2)	11,674,441	-	-	11,674,441
	(19,891,967)	-	-	(19,891,967)
Recovery by NIIT Limited Group (Note 3)	42,128	-	-	42,128
	(6,695,395)	-	-	(6,695,395)
Receiving of Services / Goods (Note 4)	8,250,527	-	60,242	8,310,769
	(8,040,273)	-	-	(8,040,273)
Rendering of Services (Note 5)	37,673,487	-	-	37,673,487
	(21,972,165)	-	-	(21,972,165)
Remuneration / commission sitting fees (Note 6)*	-	71,188,223	-	71,188,223
	-	(45,145,148)	-	(45,145,148)
Other Income (Note 7)	-	-	-	-
	(5,389,031)	-	-	(5,389,031)
Other Expenses (Note 8)	32,706	-	685,880	718,586
	(758,629)	-	-	(758,629)
Dividend Paid to NIIT Limited	144,934,800	-	-	144,934,800
	(137,688,060)	-	-	(137,688,060)
Donation (Note 9)	1,162,500	-	50,000,000	51,162,500
	(60,000)	-	(50,000,000)	(50,060,000)
Fixed Assets Purchased (Note 10)	8,804,947	-	-	8,804,947
	(84,999)	-	-	(84,999)

Notes:

- Figures in parenthesis represent Previous Year's figures
 - Includes transactions for the year mainly with:
 - NIIT Limited Rs. 219,266 (Previous Year Rs. 3,989,025)
 - NIIT USA Inc Rs. 11,455,175 (Previous Year Rs. 13,978,942)
 - Includes transactions for the year mainly with:
 - NIIT USA Inc Rs. 42,128 (Previous Year Rs. 6,695,395)
 - Includes transactions for the year mainly with:
 - NIIT Limited Rs. 2,760,398 (Previous Year Rs. 776,515)
 - NIIT USA Inc Rs. 2,094,033 (Previous Year Rs. 976,888)
 - NIIT Limited (formerly Evolve Services Limited Rs. 42,307 (Previous Year Rs. 1,750,571)
 - Includes transactions for the year mainly with:
 - NIIT Limited Rs. 21,418,802 (Previous Year Rs. 19,949,201)
 - NIIT USA Inc Rs. 9,433,791 (Previous Year Rs. 2,022,964)
 - NIIT Limited UK Rs. 6,820,894 (Previous Year: Rs. Nil)
 - Remuneration to Key Managerial Personnel includes those paid to:
 - Rajendra S Pawar - Rs. 30,459,274 (Previous Year Rs. 20,148,862)
 - Arvind Thakur - Rs. 36,750,846 (Previous Year Rs. 24,056,286)
 - Vijay K Thadani - Rs. 940,000 (Previous Year Rs. 940,000)
 - Amit Kumar Garg - Rs. 3,038,103 (Previous Year Rs Nil)
- *As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personal can not be individually identified.

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

- 7 Includes transactions for the year mainly with:
 • NIIT Limited Rs. Nil (Previous Year Rs. 5,389,031)
- 8 Includes transactions for the year with:
 • Naya Bazar Novelities Private Limited Rs.718,586 (Previous Year Rs. 17,010)
- 9 Transactions in donation for the year with:
 • NIIT Institute of Information Technology, Rs.50,000,000 (Previous Year Rs. 50,000,000)
- 10 Transaction in Purchased of Fixed Assets:
 • NIIT Limited Rs.8,804,847 (Previous Year Rs. 84,999)

	Receivable As at March 31, 2016	Payable As at March 31, 2016	Receivable As at March 31, 2015	Payable As at March 31, 2015
Parties of whom the group is an associate and its subsidiaries	15,862,875	11,517,701	11,167,549	9,846,112
Parties in which Key Managerial Personnel are interested	52,670	81,836	-	47,381
Key Managerial Personnel	1,942,220	1,697,359	-	916,556

Disclosure in respect of balances with related parties:-

- 1 Includes Receivables from:
 NIIT Limited Rs. 13,136,917 (Previous Year Rs. 10,192,750)
 NIIT USA INC Rs. 1,870,320 (Previous Year Rs. Nil)
 NIIT UK Ltd Rs.793,968 (Previous Year Rs. Nil)
- 2 Includes Payables to:
 NIIT USA Inc. Rs. Nil (Previous Year Rs. 2,081,210)
 NIIT Limited (erstwhile Evolve Services Limited) Rs. Nil (Previous Year Rs. 1,554,229)
 NIIT Limited Rs.10,580,779 (Previous Year Rs. 3,179,142)
 NIIT China Rs. Nil (Previous Year Rs. 2,602,466)
- 3 Includes Payables to:
 Naya Bazar Novelities Private Limited Rs. 22,653 (Previous Year Rs. 47,381)
 NIIT University Rs 59,183 (Previous Year Rs Nil)
 Payable to Holly Morris Rs. 1,697,359 (Previous Year Rs. 916,556)
- 38 The dominant source of risk and returns of the group is considered to be the business in which it operates viz – software solutions. Being a single business segment group, no primary segment information is being provided. The secondary segment information as per Accounting Standard 17 'Segment Reporting' in relation to the geographies is as follows:

Particulars	Revenue from external customers by location of customers		Carrying amount of segment assets by location of the assets		Additions to fixed assets	
	Year ended March 31, 2016	Year ended March 31, 2015	As at March 31, 2016	As at March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
India	2,699,650,112	3,175,075,512	13,097,186,686	10,582,303,921	3,400,586,921	1,765,885,117
Rest of Asia Pacific (including Australia)	2,745,699,630	1,623,720,952	1,359,347,734	1,475,851,038	175,903,249	33,394,440
Europe*	9,186,825,919	8,499,548,805	4,288,418,208	4,322,283,914	13,793,392	260,891,539
America*	12,191,873,123	10,426,611,928	2,338,801,802	2,259,812,104	80,129,877	57,962,243
Total	26,824,048,784	23,724,957,197	21,083,754,430	18,640,250,977	3,670,413,439	2,118,133,339

*Net of Hedging Gain / (loss) of Rs. 125,272,604 (Previous Year Gain / (Loss) Rs. 324,950,355). This includes derivative instruments matured during the year for America loss Rs 1,344,931 (Previous Year Gain / (Loss) Rs.181,358,928), Europe Rs.126,617,535 (Previous Year Gain / (Loss) Rs.143,591,427)

39 Disclosure of Leases as per Accounting Standard (AS) – 19

Operating Leases

Total of future Minimum Lease Payments under non-cancellable leases in case of premises and equipment's:

Particulars	In respect of Premises		In respect of Equipment	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Amount payable within the next 1 year	236,917,431	180,405,038	34,715,179	18,714,825
Amount payable in the next 2 to 5 years	702,850,145	158,071,177	23,125,445	80,656,387

Aggregate payments during the period under operating leases amount to Rs.471,689,114 (Previous Year Rs 491,968,093).

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

Finance Leases

The minimum lease payment outstanding and their present value at the balance sheet date in respect of plant and machinery that have been capitalized are as follows:

Particulars	Minimum lease payments amount	Finance charges	Present value of lease payments Amount
Amount payable within the next 1 year	781,270 (1,759,736)	86,295 (139,426)	694,975 (1,620,310)
Amount payable in the next 2 to 5 years	880,925 (868,123)	43,596 (38,082)	837,329 (830,041)
Total	1,662,195 (2,627,859)	129,891 (177,508)	1,532,304 (2,450,351)

Note: Figures in parenthesis represent Previous Year figures.

- 40 During the year ended March 31, 2015 the Company based on an internal assessment and external technical evaluation, had changed the estimates of useful life from the useful life being followed earlier under the Companies Act 1956. Accordingly, the useful lives of certain assets required a change from previous estimates:

Category of Assets	Earlier Useful life (Years)	Current useful life (Years)
Computers and Peripherals	4	3
Office Equipment's	21.08	5
Furniture and Fixtures	10.5	10
Other Plant and Machinery	21.08	15
Others		
Buildings	61.33	60
Vehicles	10.5	8

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by Rs.174,081,375. Further, the Company had exercised the option that where the remaining useful life of asset at April 1, 2014 is Nil, the carrying amount of the asset after retaining residual value is recognized in the opening balance of retained earnings; such impact being Rs. 21,083,256.

41 Employee stock option plan

The Company established NIIT Technologies Stock Option Plan 2005 (ESOP 2005) in the year 2005-06 and the same was approved at the Annual General Meeting of the Company on May 18, 2005. The plan was set up so as to offer and grant for the benefit of employees of the Company and its subsidiaries, who are eligible under Securities Exchange Board of India (SEBI) Guidelines (excluding promoters), options of the Company in aggregate up to 3,850,000 options under ESOP 2005, in one or more Tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard. As per the plan each option is exercisable for one equity share of face value of Rs 10 each fully paid up on payment to the Company for such shares at a price to be determined in accordance with ESOP 2005. SEBI has issued the SEBI (Share Based Employee Benefits) Regulations, 2014 which is applicable to the above ESOP 2005 (Refer note 3)

- a The Company granted option in thirty seven Grants. The details of Grants are as follows:-

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31, 2016	As at March 31, 2015
Grant V							
Tranche I	19-Oct-09	19-Oct-10	127.20	-	53.19	-	-
Tranche II	19-Oct-09	19-Oct-11	127.20	-	53.19	-	-
Grant VI							
Tranche I	19-Jul-10	19-Jul-11	182.15	-	75.39	-	-
Tranche II	19-Jul-10	19-Jul-12	182.15	-	75.39	-	110
Grant VII							
Tranche I	18-Oct-10	18-Oct-11	223.75	-	83.29	-	-
Tranche II	18-Oct-10	18-Oct-12	223.75	-	83.29	-	201
Grant VIII							
Tranche I	18-Jan-11	18-Jan-12	206.20	-	76.65	-	-
Tranche II	18-Jan-11	18-Jan-13	206.20	-	76.65	-	293
Grant IX							
Tranche I	6-May-11	6-May-12	188.25	-	67.21	-	36
Tranche II	6-May-11	6-May-13	188.25	-	67.21	36	402

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31, 2016	As at March 31, 2015
Grant X							
Tranche I	9-Jun-11	9-Jun-12	10.00	182.00	160.58	-	70
Tranche II	9-Jun-11	9-Jun-13	10.00	182.00	160.58	70	436
Tranche III	9-Jun-11	9-Jun-14	10.00	182.00	160.58	435	801
Grant XI							
Tranche I	19-Jul-11	19-Jul-12	206.15	-	71.15	-	110
Tranche II	19-Jul-11	19-Jul-13	206.15	-	71.15	110	476
Grant XII							
Tranche I	17-Oct-11	17-Oct-12	10.00	189.00	182.15	-	200
Tranche II	17-Oct-11	17-Oct-13	10.00	189.00	182.15	200	566
Tranche III	17-Oct-11	17-Oct-14	10.00	189.00	182.15	565	931
Grant XIII							
Tranche I	17-Jan-12	17-Jan-13	198.00	-	53.89	-	292
Tranche II	17-Jan-12	17-Jan-14	198.00	-	53.89	292	658
Grant XIV							
Tranche I	3-May-12	3-May-13	256.60	-	71.93	33	399
Tranche II	3-May-12	3-May-14	256.60	-	71.93	398	764
Grant XV							
Tranche I	2-Jul-12	2-Jul-13	285.80	-	76.26	93	459
Tranche II	2-Jul-12	2-Jul-14	285.80	-	76.26	458	824
Grant XVI							
Tranche I	2-Jul-12	2-Jul-13	10.00	275.80	232.18	93	459
Tranche II	2-Jul-12	2-Jul-14	10.00	275.80	232.18	458	824
Tranche III	2-Jul-12	2-Jul-15	10.00	275.80	232.18	823	1,189
Grant XVII							
Tranche I	14-Jan-13	14-Jan-14	274.85	-	66.95	289	655
Tranche II	14-Jan-13	14-Jan-15	274.85	-	66.95	654	1,020
Grant XVIII							
Tranche I	17-May-13	17-May-14	10.00	256.26	214.49	412	778
Tranche II	17-May-13	17-May-15	10.00	256.26	214.49	777	1,143
Tranche III	17-May-13	17-May-16	10.00	256.26	214.49	1,143	1,509
Grant XIX							
Tranche I	16-Jul-13	16-Jul-14	10.00	286.65	214.98	472	838
Tranche II	16-Jul-13	16-Jul-15	10.00	286.65	214.98	837	1,203
Tranche III	16-Jul-13	16-Jul-16	10.00	286.65	214.98	1,203	1,569
Grant XX							
Tranche I	16-Jul-13	16-Jul-14	261.20		64.52	472	838
Tranche II	16-Jul-13	16-Jul-15	261.20		64.52	837	1,203
Grant XXI							
Tranche I	2-Sep-13	2-Sep-14	282.00		102.83	520	886
Tranche II	2-Sep-13	2-Sep-15	282.00		102.83	885	1,251
Tranche III	2-Sep-13	2-Sep-16	282.00		102.83	1,251	1,617
Tranche IV	2-Sep-13	2-Sep-17	282.00		102.83	1,616	1,982
Tranche V	2-Sep-13	2-Sep-18	282.00		102.83	1,981	2,347
Grant XXII							
Tranche I	2-Sep-13	2-Sep-14	10.00	294.40	240.84	520	886
Tranche II	2-Sep-13	2-Sep-15	10.00	294.40	240.84	885	1,251
Tranche III	2-Sep-13	2-Sep-16	10.00	294.40	240.84	1,251	1,617
Tranche IV	2-Sep-13	2-Sep-17	10.00	294.40	240.84	1,616	1,982
Tranche V	2-Sep-13	2-Sep-18	10.00	294.40	240.84	1,981	2,347
Grant XXIII							
Tranche I	15-Oct-13	15-Oct-14	296.60		67.13	563	929
Tranche II	15-Oct-13	15-Oct-15	296.60		67.13	928	1,294
Grant XXIV							
Tranche I	14-Jan-14	14-Jan-15	372.10		101.33	654	1,020
Tranche II	14-Jan-14	14-Jan-16	372.10		101.33	1,019	1,385
Grant XXV							
Tranche I	9-May-14	9-May-15	409.75		108.83	769	1,135
Tranche II	9-May-14	9-May-16	409.75		108.83	1,135	1,501
Grant XXVI							
Tranche I	9-May-14	9-May-15	409.75		135.48	769	1,135
Tranche II	9-May-14	9-May-16	409.75		135.48	1,135	1,501
Tranche III	9-May-14	9-May-17	409.75		135.48	1,500	1,866
Tranche IV	9-May-14	9-May-18	409.75		135.48	1,865	2,231
Tranche V	9-May-14	9-May-19	409.75		135.48	2,230	2,596

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

Grant	Date of Grant	Date of Vesting	Exercise Price (in Rs.)	Intrinsic value of Shares	Fair value of Options (in Rs.)*	Remaining Contractual Life (in Days)	
						As at March 31, 2016	As at March 31, 2015
Grant XXVII							
Tranche I	15-Jul-14	15-Jul-15	10.00	451.29	349.61	836	1,202
Tranche II	15-Jul-14	15-Jul-16	10.00	451.29	349.61	1,202	1,568
Tranche III	15-Jul-14	15-Jul-17	10.00	451.29	349.61	1,567	1,933
Grant XXVIII							
Tranche I	5-Aug-14	5-Aug-15	374.05	-	102.45	857	1,223
Tranche II	5-Aug-14	5-Aug-16	374.05	-	102.45	1,223	1,589
Grant XXIX							
Tranche I	15-Oct-14	15-Oct-15	393.70	-	109.95	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70	-	109.95	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	393.70	-	109.95	1,659	2,025
Grant XXX							
Tranche I	15-Oct-14	15-Oct-15	10.00	390.14	337.13	928	1,294
Tranche II	15-Oct-14	15-Oct-16	10.00	390.14	337.13	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	10.00	390.14	337.13	1,659	2,025
Grant XXXI							
Tranche I	15-Oct-14	15-Oct-15	393.70	-	103.71	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70	-	103.71	1,294	1,660
Grant XXXII							
Tranche I	15-Oct-14	15-Oct-15	393.70	-	124.66	928	1,294
Tranche II	15-Oct-14	15-Oct-16	393.70	-	124.66	1,294	1,660
Tranche III	15-Oct-14	15-Oct-17	393.70	-	124.66	1,659	2,025
Tranche IV	15-Oct-14	15-Oct-18	393.70	-	124.66	2,024	2,390
Tranche V	15-Oct-14	15-Oct-19	393.70	-	124.66	2,389	2,755
Grant XXXIII							
Tranche I	5-May-15	5-May-16	356.50	-	85.12	1,131	-
Tranche II	5-May-15	5-May-17	356.50	-	100.82	1,496	-
Grant XXXIV							
Tranche I	13-Jul-15	13-Jul-16	10.00	381.64	350.29	1,200	-
Tranche II	13-Jul-15	13-Jul-17	10.00	381.64	339.46	1,565	-
Tranche III	13-Jul-15	13-Jul-18	10.00	381.64	328.95	1,930	-
Grant XXXV							
Tranche I	19-Oct-15	19-Oct-16	493.60	-	125.33	1,298	-
Tranche II	19-Oct-15	19-Oct-17	493.60	-	142.15	1,663	-
Tranche III	19-Oct-15	19-Oct-18	493.60	-	159.61	2,028	-
Tranche IV	19-Oct-15	19-Oct-19	493.60	-	169.77	2,393	-
Tranche V	19-Oct-15	19-Oct-20	493.60	-	186.89	2,759	-
Grant XXXVI							
Tranche I	14-Jan-16	14-Jan-17	546.40	-	142.01	1,385	-
Tranche II	14-Jan-16	14-Jan-18	546.40	-	157.47	1,750	-
Grant XXXVII							
Tranche I	14-Jan-16	14-Jan-17	10.00	549.85	495.37	1,385	-
Tranche II	14-Jan-16	14-Jan-18	10.00	549.85	479.87	1,750	-
Tranche III	14-Jan-16	14-Jan-19	10.00	549.85	464.85	2,115	-

*based on Black and Scholes model (as per independent valuer's report)

(b) Movement of options:

In Nos

Description	Year ended 2015-16	Year ended 2014-15
Live options at beginning of the year	782,125	817,608
Options granted during the year	290,000	428,000
Options Forfeited / lapsed during the year till vesting period	32,000	7,500
Net Exercisable options	1,040,125	1,238,108
Options vested	223,500	204,625
Options forfeited post vesting	-	112,258
Options Exercised	141,625	343,725
Exercisable /outstanding options at the end of the year	898,500	782,125

(c) During the year, the Compensations / Remuneration Committee at its meetings held on various dates granted 290,000 options out of the options under ESOP 2005, to managerial personnel of the Company / Subsidiaries.

(d) The assumptions used by the independent valuer for determination of fair value as per the Black and Scholes model are as follows:

- Market price considered is the latest available closing price, prior to the date of the grant
- Exercise price is the price payable by the employees for exercising the option
- Other assumptions:

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

Grant	Tranche	Volatility	Average Life of the Options (in Years)	Risk Less Interest Rate	Dividend Yield
Grant XXXIII	I	34.25%	2.5	7.69%	3.25%
	II	35.02%	3.5	7.70%	3.25%
Grant XXXIV	I	34.42%	2.5	7.68%	3.25%
	II	34.62%	3.5	7.81%	3.25%
	III	35.61%	4.5	7.88%	3.25%
Grant XXXV	I	37.67%	2.5	7.42%	3.25%
	II	36.41%	3.5	7.48%	3.25%
	III	37.05%	4.5	7.52%	3.25%
	IV	36.35%	5.5	7.56%	3.25%
	V	38.82%	6.5	7.58%	3.25%
Grant XXXVI	I	38.92%	2.5	7.36%	3.25%
	II	36.47%	3.5	7.47%	3.25%
Grant XXXVII	I	38.92%	2.5	7.36%	3.25%
	II	36.47%	3.5	7.47%	3.25%
	III	37.37%	4.5	7.56%	3.25%

d) Other information regarding employee share based payment is as below:

		Expenses accounted for during the year based on intrinsic value of options		Expenses had the Company recorded the ESOP expenses based on fair value of the options	
		Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Grant IX	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	-
Grant X	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	-
	- Tranche III	-	171,889	-	153,840
Grant XI	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	-
Grant XII	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	-
	- Tranche III	-	478,935	-	-
Grant XIII	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	-
Grant XIV	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	29,265
Grant XV	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	378,897
Grant XVI	- Tranche I	-	-	-	-
	- Tranche II	-	387,380	-	-
	- Tranche III	258,254	1,011,267	-	851,327
Grant XVII	- Tranche I	-	-	-	-
	- Tranche II	-	-	-	198,786
Grant XVIII	- Tranche I	-	462,921	-	-
	-Tranche II	(1,562,359)	1,793,820	-	1,501,430
	-Tranche III	(520,783)	1,195,880	501,390	1,000,040
Grant XIX	-Tranche I	-	915,445	-	-
	-Tranche II	457,723	1,576,600	-	1,182,390
	-Tranche III	1,051,067	1,051,067	789,698	787,451
Grant XX	-Tranche I	-	-	-	-
	-Tranche II	-	-	-	-
Grant XXI	-Tranche I	-	-	-	873,351
	-Tranche II	-	-	436,675	1,028,300
	-Tranche III	-	-	686,784	684,908
	-Tranche IV	-	-	515,206	513,798
	-Tranche V	-	-	412,221	411,095
Grant XXII	-Tranche I	-	864,376	-	715,922
	-Tranche II	432,188	1,030,383	-	842,940
	-Tranche III	686,922	686,922	562,985	561,447
	-Tranche IV	515,191	515,191	422,335	421,182
	-Tranche V	412,153	412,153	337,915	336,991
Grant XXIII	-Tranche I	-	-	-	382,365
	-Tranche II	-	-	191,183	352,433
Grant XXXIV	-Tranche I	-	-	-	601,734
	-Tranche II	-	-	300,867	379,988
Grant XXV	-Tranche I	-	-	69,770	583,210

Consolidated Notes to the financial statements (All amounts in Rs. unless otherwise stated)

		Expenses accounted for during the year based on intrinsic value of options		Expenses had the Company recorded the ESOP expenses based on fair value of the options	
		Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
	-Tranche II	-	-	326,937	291,206
Grant XXVI	-Tranche I	-	-	289,519	2,420,081
	-Tranche II	-	-	1,356,653	1,208,385
	-Tranche III	-	-	904,848	805,958
	-Tranche IV	-	-	678,791	604,606
	-Tranche V	-	-	543,107	483,751
Grant XXVII	-Tranche I	1,423,505	3,540,630	1,116,836	2,728,874
	-Tranche II	2,482,068	1,770,315	1,925,485	1,362,570
	-Tranche III	1,654,712	1,180,210	1,284,243	908,795
Grant XXVIII	-Tranche I	-	-	-	4,408,999
	-Tranche II	-	-	2,923,819	2,201,484
Grant XXIX	-Tranche I	-	-	421,943	352,141
	-Tranche II	-	-	389,445	175,830
	-Tranche III	-	-	417,509	117,273
Grant XXX	-Tranche I	1,052,385	898,294	385,351	771,243
	-Tranche II	975,336	449,145	257,018	385,094
	-Tranche III	650,232	299,435	914,407	256,846
Grant XXXI	-Tranche I	-	-	843,978	355,882
	-Tranche II	-	-	562,909	177,697
Grant XXXII	-Tranche I	-	-	1,352,476	1,140,724
	-Tranche II	-	-	1,248,305	569,582
	-Tranche III	-	-	832,583	379,895
	-Tranche IV	-	-	624,580	284,986
	-Tranche V	-	-	499,732	228,020
Grant XXXIII	-Tranche I	-	-	577,351	-
	-Tranche II	-	-	342,388	-
Grant XXXIV	-Tranche I	3,291,471	-	3,009,049	-
	-Tranche II	1,645,740	-	1,460,003	-
	-Tranche III	1,097,160	-	943,630	-
Grant XXXV	-Tranche I	-	-	2,246,352	-
	-Tranche II	-	-	1,275,655	-
	-Tranche III	-	-	955,330	-
	-Tranche IV	-	-	762,280	-
	-Tranche V	-	-	671,045	-
Grant XXXVI	-Tranche I	-	-	268,888	-
	-Tranche II	-	-	149,284	-
Grant XXXVII	-Tranche I	841,840	-	729,521	-
	-Tranche II	420,919	-	353,831	-
	-Tranche III	280,613	-	228,608	-
		17,546,337	20,692,258	39,300,718	37,393,012

For impact on Basic and Diluted earning Per Share, had fair value of the option been used for determining Employee Stock Option Plan expense, refer note no 35 Earnings Per Share.

During the year, the Company recognised Rs. 17,546,337 (Previous Year Rs. 20,692,258) as expense for employee stock option shares, basis intrinsic value method.

- 42 "The Board of Directors of Incessant Technologies Private Limited has formulated and approved a Top Talent Reward Program on April 30, 2015, an incentive based bonus plan involving a total pay out of Rs. 280,800,414 to the identified employees of the Company over a period of 4 years in the manner detailed in the Top Talent Reward Program, with a condition that the Top Talent Reward Program will come in to force only upon execution of Share Purchase and Subscription Agreement with NIIT Technologies Limited. Pursuant to the execution of the Share Purchase and Subscription Agreement dated May 05, 2015 with NIIT Technologies Limited, the Company has agreed to set aside an amount of Rs. 280,800,414 out of the proceeds of Rs. 584,700,414 received from issue of shares on a preferential allotment basis to NIIT Technologies Limited for setting up a corpus which shall solely be utilised for paying incentive based bonus to the identified employees of the Company who are eligible under the Top Talent Reward Program as approved by the Board of Directors of Incessant Technologies Private Limited on April 30, 2015. Accordingly, with the execution of the Share Purchase and Subscription Agreement with NIIT Technologies Limited on May 05, 2015 and there being no realistic alternative but to make the payments to the eligible employees under the Top Talent Reward Program, the Management of Incessant Technologies Private Limited has recognised the cost of actual bonus of Rs. 94,563,875 paid during the year and bonus of Rs. 54,713,276 to be paid out in July 2016 on an undiscounted basis and recognised the bonus pay-outs expected to happen over the two year period commencing July 2017 in line with Para 128 of AS 15 using Projected Unit Credit Method."

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

A Defined benefit obligation -

Particulars	Year ended March 31, 2016
Defined benefit obligation at year end	112,229,521

B Summary of Financial assumptions

Particulars	Year ended March 31, 2016
Discount rate	7.80% p.a.

43 Disclosures mandated by Schedule III by way of additional information:-

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)	
	As % of consolidated net Assets	Amount in Rs.	As % of consolidated profit / (loss)	Amount in Rs.
Parent Company				
NIIT Technologies Limited	51.60 (50.30)	8,541,622,437 (6,922,237,384)	56.59 (99.73)	1,584,401,328 (1,137,563,347)
Subsidiaries				
Indian Subsidiaries				
NIIT Smart Serve Limited	3.48 (2.27)	576,063,332 (312,266,108)	2.97 (6.60)	83,237,951 (75,276,057)
NIIT Technologies Services Limited	0.16 (0.19)	25,879,682 (26,312,364)	0.04 (-0.08)	1,218,654 (-896,814)
ESRI India Technologies Limited	2.95 (4.49)	488,246,566 (618,525,896)	3.00 (14.21)	83,985,014 (162,208,049)
Foreign Subsidiaries				
NIIT Technologies Inc., USA	8.43 (10.16)	1,394,164,850 (1,398,021,704)	6.98 (9.48)	195,389,495 (108,126,649)
NIIT Technologies Ltd, UK	12.28 (15.80)	2,033,210,020 (2,174,268,366)	2.23 (4.69)	62,407,951 (53,472,879)
NIIT Technologies Co. Ltd., Japan	0.03 (0.05)	5,530,783 (7,028,351)	(0.02) (-0.19)	(592,541) (-2,153,766)
NIIT Technologies Pte Ltd, Singapore	1.24 (1.70)	204,478,750 (233,830,691)	0.39 (-2.23)	11,042,174 (-25,410,508)
NIIT Technologies BV, Netherlands	0.43 (0.58)	71,208,683 (80,371,064)	(0.08) (1.10)	(2,157,498) (12,508,679)
NIIT Technologies NV, Belgium	0.10 (0.15)	17,155,591 (20,595,144)	(0.85) (-0.29)	(23,688,212) (-3,353,786)
NIIT Technologies Limited, Thailand	2.49 (1.91)	411,792,930 (262,472,771)	3.72 (1.74)	104,134,003 (19,898,502)
NIIT Technologies Pty Limited, Australia	2.12 (0.84)	351,580,595 (115,531,313)	0.28 (-55)	7,803,107 (-627,370,792)
NIIT Technologies GmbH, Germany	0.61 (0.77)	101,693,053 (106,354,905)	0.40 (0.41)	11,121,983 (4,649,257)
NIIT Technologies AG, Switzerland	0.08 (-0.01)	12,670,034 (-1,623,784)	(0.16) (-1.71)	(4,483,222) (-19,472,974)
NIIT Insurance Technologies Limited, UK	1.94 (2.61)	321,490,287 (359,553,495)	10.68 (13.82)	299,002,972 (157,608,896)
NIIT Technologies Limited, Canada	0.00 (0.00)	- (121,474)	0.03 (-0.01)	804,142 (-118,242)

Consolidated Notes to the financial statements

(All amounts in Rs. unless otherwise stated)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)	
	As % of consolidated net Assets	Amount in Rs.	As % of consolidated profit / (loss)	Amount in Rs.
NIIT Airline Technologies GmbH, Germany	1.03	170,486,624	2.02	56,611,750
	(0.93)	(127,551,918)	(1.80)	(20,585,226)
NIIT Technologies FZ LLC, Dubai	1.08	178,846,842	2.07	57,999,326
	(1.46)	(201,471,347)	(-6.52)	(-74,383,586)
NIIT Technologies S.A., Spain	1.17	194,426,214	(1.10)	(30,692,264)
	(1.52)	(209,518,833)	(2.39)	(27,222,485)
NIIT Technologies Philippines Inc, Philippines	0.13	21,347,376	0.27	7,440,395
	(0.12)	(16,220,961)	(0.64)	(7,344,355)
NIIT Technologies Brazil Ltda, Brazil	0.12	20,044,474	(0.25)	(6,892,046)
	(0.33)	(45,471,383)	(0.19)	(2,134,288)
NIIT Media Technologies LLC, USA	1.56	258,220,075	0.85	23,855,885
	(1.96)	(269,761,074)	(4.48)	(51,091,737)
Incessant Technologies Private Limited	2.83	469,194,018	4.58	128,212,131
	-	-	-	-
Minority Interest in all subsidiaries				
ESRI India Technologies Limited	0.36	60,345,673	0.37	10,380,170
	(0.56)	(76,451,706)	(1.76)	(20,068,666)
NIIT Media Technologies LLC, USA	1.04	172,146,717	0.57	15,903,923
	(1.31)	(179,840,716)	(2.99)	(34,061,159)
Incessant Technologies Private Limited	2.72	450,794,252	4.40	123,184,204
	-	-	-	-
Total	100.00	16,552,639,858	100.00	2,799,630,774
Previous Year	(100.00)	(13,762,155,184)	(100.00)	(1,140,659,763)

44 Previous Year figures have been reclassified to conform to this years classification

For **Price Waterhouse**
Firm Registration No. 301112E
Chartered Accountants

Rajendra S Pawar
Chairman & Managing Director
DIN 00042516

Arvind Thakur
CEO & Joint Managing Director
DIN 00042534

Anupam Dhawan
Partner
Membership No.084451
Place : Noida
Date : May 6, 2016

Amit Kumar Garg
Chief Financial Officer

Lalit Kumar Sharma
Company Secretary and Legal Counsel

Proxy Form Cont....

Resolution Number	Resolution
Ordinary Business	
1	To receive, consider and adopt: (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 and Report of the Auditors thereon
2	To declare dividend on Equity Shares of the Company.
3	Appointment of Mr. Vijay Kumar Thadani (DIN: 00042527) who retires by rotation and, being eligible, offers himself for re-appointment.
4	To ratify the appointment of M/s Price Waterhouse, Chartered Accountants (FRN 301112E), Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and fix their remuneration.

Signed this _____ day of _____ 2016

Signature of Member _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp not less
than Re.1.00

Notes:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, either in person or through post, not later than 48 hours before the commencement of the Annual General Meeting. Any undated, unstamped or inadequately stamped proxy form or upon which the stamps have not been cancelled shall not be considered as valid.
2. A proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes. In case, both the member and proxy attend the meeting, the proxy shall automatically stand revoked. A proxy later in date shall revoke any proxy/proxies dated prior to such proxy.
4. Proxy-holder shall carry his/her identity proof (Driving License/Adhaar Card/Voter ID Card/Passport/PAN card) in order to prove his/her identity at the Annual General Meeting.
5. In case the meeting gets adjourned, the proxy given for the adjourned meeting shall revoke the proxy for the original meeting.
6. Since, there is no special business to be transacted at the upcoming Annual General Meeting, the Statement pursuant to Section 102 of the Companies Act, 2013 & Rules enacted therein is not applicable. However, the detailed profile of Mr. Vijay Kumar Thadani in respect of the ordinary business no. 3 is provided as annexure to the Notice.

NORTH AMERICA

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NIIT Media Technologies LLC

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Augusta GA 30901

Incessant Technologies NA Inc

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