

# NIIT

**NIIT Limited**  
85, Sector 32 Institutional  
Gurgaon 122 001, India  
Tel: +91 (124) 4293000  
Fax: + 91 (124) 4293333  
Email: info@niit.com

Registered Office:  
8, Balaji Estate, First Floor  
Guru Ravi Das Marg, Kalkaji  
New Delhi 110 019, India  
CIN: L74899DL1981PLC015865

May 10, 2016

**1. The Manager**  
**BSE Limited**  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001  
Fax no : 022 – 22722082, 22723121

**2. The Manager**  
**National Stock Exchange of India Ltd**  
Listing Department  
Exchange Plaza  
5<sup>th</sup> Floor, Plot no C/1, G Block  
Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
Fax No. : 022-26598237, 26598238

[www.niit.com](http://www.niit.com)

**Subject: Outcome of the Board Meeting held on May 10, 2016**

Dear Sir,

Please note that the Board of Directors of the Company in their meeting held on May 10, 2016 (which commenced at 10:00 A.M. and concluded at 1:00 P.M.) has inter-alia, approved the following :

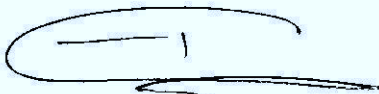
1. Audited Annual Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2016;
2. Statutory Auditors Report (Standalone and Consolidated ) for the year ended March 31, 2016;
3. Form A (for audit report with unmodified opinion) – Standalone;
4. Form A (for audit report with unmodified opinion) – Consolidated.

You are requested to take note of the same and inform your members accordingly.

Kindly acknowledge the receipt.

Thanking you,

**Yours truly,**  
**For NIIT Limited**



**Rohit Gupta**  
**Chief Financial Officer**

**NIIT Limited**

Regd Office : 8, Balaji Estate, First Floor, Guru Ravidas Marg, Kalkaji, New Delhi-110019  
Ph. : 91 (11) 41675000 Fax : 91 (11) 41407120 Website : http://www.niit.com  
Corporate Identity Number : L74899DL1981PLC015865  
Email : investors@niit.com

**PART I:- Statement of Audited Financial Results for the year ended March 31, 2016**

(Rs. Lacs)

Particulars	Standalone					Consolidated	
	3 Months ended (31/03/2016)	Preceding 3 Months ended (31/12/2015)	Corresponding 3 months ended in the previous year (31/03/2015)	Accounting Year ended (31/03/2016)	Previous Accounting Year ended (31/03/2015)	Accounting year ended (31/03/2016)	Previous Accounting year ended (31/03/2015)
	Un-audited	Un-audited	Un-audited	Audited	Audited	Audited	Audited
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>1 Income from operations</b>							
a) Net sales/ income from operations	10,568	9,087	8,491	38,145	34,854	100,685	95,738
b) Other operating income	-	-	-	-	-	-	-
<b>Total income from operations</b>	<b>10,568</b>	<b>9,087</b>	<b>8,491</b>	<b>38,145</b>	<b>34,854</b>	<b>100,685</b>	<b>95,738</b>
<b>2 Expenses</b>							
a) Purchase of traded goods	740	572	540	2,555	2,744	4,700	5,257
b) Changes in inventory of traded goods	(36)	(100)	142	(177)	201	(240)	106
c) Employee benefits expense	3,413	3,653	3,343	13,856	12,743	33,292	30,404
d) Professional & technical outsourcing expenses	1,670	2,026	1,936	6,714	6,530	30,766	31,724
e) Depreciation, amortisation and impairment expense	615	659	1,914	2,824	4,313	4,918	10,728
f) Other expenses	3,679	3,610	3,507	14,614	13,507	25,316	26,019
<b>Total expenses</b>	<b>10,081</b>	<b>10,420</b>	<b>11,382</b>	<b>40,386</b>	<b>40,038</b>	<b>98,752</b>	<b>104,238</b>
<b>3 Profit/ (Loss) from operations before other income, finance costs &amp; exceptional items (1-2)</b>	<b>487</b>	<b>(1,333)</b>	<b>(2,891)</b>	<b>(2,241)</b>	<b>(5,184)</b>	<b>1,933</b>	<b>(8,500)</b>
<b>4 Other income</b>	<b>1,110</b>	<b>486</b>	<b>987</b>	<b>4,042</b>	<b>3,692</b>	<b>764</b>	<b>1,314</b>
<b>5 Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,597</b>	<b>(847)</b>	<b>(1,904)</b>	<b>1,801</b>	<b>(1,492)</b>	<b>2,697</b>	<b>(7,186)</b>
<b>6 Finance costs</b>	<b>489</b>	<b>569</b>	<b>269</b>	<b>1,953</b>	<b>1,299</b>	<b>2,114</b>	<b>1,380</b>
<b>7 Profit/ (Loss) from ordinary activities after finance costs but before exceptional items(5-6)</b>	<b>1,108</b>	<b>(1,416)</b>	<b>(2,173)</b>	<b>(152)</b>	<b>(2,791)</b>	<b>583</b>	<b>(8,566)</b>
<b>8 Exceptional Items (net)</b>	<b>264</b>	<b>(45)</b>	<b>(8,359)</b>	<b>219</b>	<b>(8,476)</b>	<b>159</b>	<b>(8,030)</b>
<b>9 Profit/ (Loss) from ordinary activities before tax (7+8)</b>	<b>1,372</b>	<b>(1,461)</b>	<b>(10,532)</b>	<b>67</b>	<b>(11,267)</b>	<b>742</b>	<b>(16,596)</b>
<b>10 Tax expense</b>	<b>26</b>	<b>16</b>	<b>326</b>	<b>56</b>	<b>343</b>	<b>367</b>	<b>118</b>
<b>11 Net Profit/ (Loss) from ordinary activities after tax (9-10)</b>	<b>1,346</b>	<b>(1,477)</b>	<b>(10,858)</b>	<b>11</b>	<b>(11,610)</b>	<b>375</b>	<b>(16,714)</b>
<b>12 Extraordinary item</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Net Profit/ (Loss) for the period (11-12)</b>	<b>1,346</b>	<b>(1,477)</b>	<b>(10,858)</b>	<b>11</b>	<b>(11,610)</b>	<b>375</b>	<b>(16,714)</b>
<b>14 Share of Profit of Associates</b>						<b>6,632</b>	<b>2,708</b>
<b>15 Minority Interest</b>						<b>(283)</b>	<b>153</b>
<b>16 Net Profit/(Loss) After taxes, minority interest and share of profit/(loss) of Associates (13+14+15)</b>	<b>1,346</b>	<b>(1,477)</b>	<b>(10,858)</b>	<b>11</b>	<b>(11,610)</b>	<b>6,724</b>	<b>(13,853)</b>
<b>17 Paid-up equity share capital Face Value</b>	<b>3,310</b> Rs. 2/- each	<b>3,309</b> Rs. 2/- each	<b>3,304</b> Rs. 2/- each	<b>3,310</b> Rs. 2/- each	<b>3,304</b> Rs. 2/- each	<b>3,310</b> Rs. 2/- each	<b>3,304</b> Rs. 2/- each
<b>18 Reserve excluding revaluation reserves as per Balance sheet of previous accounting year</b>				<b>77,861</b>	<b>77,858</b>	<b>77,198</b>	<b>69,668</b>
<b>19 Earnings/ (Loss) Per Share (EPS) (of Rs. 2/- each) (not annualised, in Rs.):</b>							
- Basic	<b>0.81</b>	<b>(0.89)</b>	<b>(6.56)</b>	<b>0.01</b>	<b>(7.03)</b>	<b>4.07</b>	<b>(8.39)</b>
- Diluted	<b>0.81</b>	<b>(0.89)</b>	<b>(6.56)</b>	<b>0.01</b>	<b>(7.03)</b>	<b>4.01</b>	<b>(8.39)</b>
<b>20 Debt Service Coverage Ratio (not annualised)</b>				<b>2.26</b>	<b>(2.00)</b>	<b>3.46</b>	<b>(0.49)</b>
<b>21 Interest Service Coverage Ratio (not annualised)</b>				<b>2.45</b>	<b>(4.62)</b>	<b>6.51</b>	<b>(1.26)</b>

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# NIIT Limited

Regd Office : 8, Balaji Estate, First Floor, Guru Ravidas Marg, Kalkaji, New Delhi-110019  
 Ph. : 91 (11) 41675000 Fax : 91 (11) 41407120 Website : http://www.niit.com  
 Corporate Identity Number : L74899DL1981PLC015865  
 Email : investors@niit.com

## AUDITED STATEMENT OF ASSETS AND LIABILITIES

(Rs. Lacs)

		STANDALONE		CONSOLIDATED	
		AS AT 31/03/2016	AS AT 31/03/2015	AS AT 31/03/2016	AS AT 31/03/2015
		Audited	Audited	Audited	Audited
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
1	Shareholders' funds				
	-Share capital	3,310	3,304	3,310	3,304
	-Reserves and surplus	77,861	77,858	77,198	69,668
	<b>Sub-total: Shareholders' funds</b>	<b>81,171</b>	<b>81,162</b>	<b>80,508</b>	<b>72,972</b>
2	Minority Interest	-	-	854	603
3	Non-current liabilities				
	-Long-term borrowings	16,611	10,006	18,037	11,478
	-Deferred tax liabilities	-	-	364	293
	-Other long-term liabilities	399	3	645	501
	-Long-term provisions	34	39	26	41
	<b>Sub-total: Non-current liabilities</b>	<b>17,044</b>	<b>10,048</b>	<b>19,082</b>	<b>12,313</b>
4	Current liabilities				
	-Short-term borrowings	850	800	1,456	2,173
	-Trade payables	6,704	5,934	19,779	14,394
	-Other current liabilities	6,424	8,077	10,780	12,954
	-Short-term provisions	1,116	1,113	1,595	1,678
	<b>Sub-total: Current liabilities</b>	<b>15,094</b>	<b>15,924</b>	<b>33,610</b>	<b>31,199</b>
	<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>113,309</b>	<b>107,134</b>	<b>134,054</b>	<b>117,087</b>
<b>B</b>	<b>ASSETS</b>				
1	Non-current assets				
	-Fixed assets	6,650	6,534	10,875	11,380
	-Goodwill on consolidation	-	-	42	32
	-Non-current investments	74,231	74,109	58,201	52,584
	-Deferred tax assets (net)	1,038	1,038	1,415	1,389
	-Long-term loans and advances	11,869	7,461	13,233	8,114
	-Trade receivables	-	-	791	2,975
	-Other non-current assets	1	1	133	123
	<b>Sub-total: Non-current assets</b>	<b>93,789</b>	<b>89,143</b>	<b>84,690</b>	<b>76,597</b>
2	Current assets				
	-Current investments	-	59	-	59
	-Inventories	449	272	689	449
	-Trade receivables	12,059	13,315	24,213	18,747
	-Cash and bank balances	1,354	1,301	8,857	8,632
	-Short-term loans and advances	4,878	2,356	6,749	6,648
	-Other current assets	780	688	8,856	5,955
	<b>Sub-total: Current assets</b>	<b>19,520</b>	<b>17,991</b>	<b>49,364</b>	<b>40,490</b>
	<b>TOTAL ASSETS</b>	<b>113,309</b>	<b>107,134</b>	<b>134,054</b>	<b>117,087</b>

\*Reserves & Surplus in the Consolidated Financials include Currency Translation Reserve Rs. 3,977 Lacs (Previous year 2,983 Lacs)

**Notes to Standalone and Consolidated financials:-**

- 1 The above audited consolidated and standalone financial results of the Company for the Quarter and year ended March 31, 2016 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on May 10, 2016.
- 2 The figures for the quarter ended March 31, 2016 & March 31, 2015 are the balancing figures between audited figures in respect of financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 3 Under the Employee Stock Option Plan 2005, approved by the shareholders, during the quarter, 29,600 options were exercised, 296,140 options lapsed and 6,086,256 options remained outstanding as at the end of the year.
- 4 Pursuant to the Scheme of Arrangement which became effective from May 31, 2015 upon approval by the Honorable High Court, three wholly owned subsidiaries of the Company were amalgamated with the Company and the School Business Undertaking of the Company was transferred to a wholly owned subsidiary company from the appointed date i.e. April 1, 2014. The necessary adjustments were made in the results for the quarter ended March 31, 2015 and for the year then ended. Accordingly the financial results for the Quarter are not comparable with the corresponding quarter of the previous year.
- 5 Effective July 1, 2015, the Company had entered into revenue sharing agreements, under which career based courses of subsidiaries are being offered by the Company according to the arrangement. Accordingly, the financial results for the Quarter and year to date are not comparable with the corresponding previous periods.
- 6 Exceptional items for the year represents income on account of write back of provision for business support amounting to Rs. 174 Lacs (Consolidated Rs. 174 Lacs), write back of doubtful debts and advances for Rs. 89 Lacs (Consolidated Rs. 44 Lacs), and expenditure on account of additional provision for bonus Rs. 45 Lacs (Consolidated Rs. 62 Lacs) 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.
- 7 The sub businesses are fully aligned to global learning business of the Company and the same are being viewed by the management as a single primary segment, i.e. Learning Business.
- 8 Formulae used for calculation of Debt Service Coverage ratio and Interest Service Coverage Ratio are as follows.  
 (a) Debt Service Coverage Ratio = Profit after tax but before Interest expense and Depreciation / Loan repayments (excluding working capital and other short term loan repayments) and interest expense  
 (b) Interest Service Coverage Ratio = Profit after tax but before Interest expense and Depreciation / Interest expense
- 9 The figures of the previous quarter/ year, have been regrouped/ reclassified wherever necessary to conform to current quarter's/year's classification.

By order of the Board  
For NIIT Limited



Vijay K Thadani  
Vice-Chairman & Managing Director

Place: New Delhi

Date : May 10, 2016





# Price Waterhouse

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NIIT Limited

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of NIIT 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. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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



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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.

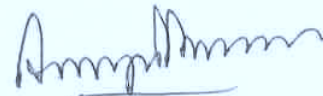
### Report on Other Legal and Regulatory Requirements

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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our 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 19;



- ii) The Company has long-term contracts including derivative contracts as at March 31, 2016 for which there were no material foreseeable losses.
- 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



Anupam Dhawan  
Partner  
Membership Number: 084451

Place: New Delhi  
Date: May 10, 2016

## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of NIIT 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 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.





## **Annexure A to Independent Auditors' Report**

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

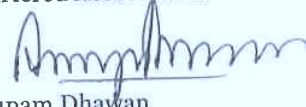
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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 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 : New Delhi  
Date : May 10, 2016



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT 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 10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans, to one of its wholly owned subsidiaries covered in the register maintained under Section 189 of the Act.
  - (a) The repayment terms of unsecured loan granted in the previous years to one of its wholly owned subsidiary as referred to in clause (iii) above has been extended. The outstanding loan aggregating Rs. 29.70 million which was considered doubtful of recovery had been provided for in the books of account in earlier years.
  - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular.
  - (c) In respect of the aforesaid loans, there is no amount overdue for more than 90 days other than the loan of Rs. 29.70 million, considered doubtful of recovery and provided for as referred to in para (iii) (a) above. In our opinion, reasonable steps have been taken by the Company for the recovery of the principal amounts and interest.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- 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. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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 (tax deducted at source), service tax and works contract 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, wealth tax, duty of customs, value added tax, professional tax and other material statutory dues, as applicable, with the appropriate authorities.



**Annexure to Independent Auditors' Report**

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

Page 2 of 3

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, works contract tax and service 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 unpaid (Rs. In millions)	Period to which the amount relates	Forum where the dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Works contract tax	31.32	2001-2004	Supreme Court of India
Central Sales Tax Act, 1956	Sales Tax	22.35	June 2005 to November 2011	Appellate Deputy Commissioner (A), Hyderabad
Customs Act, 1962	Customs Duty	4.80	2012-13 and 2013-14	Directorate of Revenue Intelligence, Jaipur
Income Tax Act, 1961	Income Tax	0.41	2003-04	Income Tax Appellate Tribunal
	Income Tax	3.08	2008-09	Commissioner of Income Tax (Appeals)
	Income Tax	20.39	2009-10	Commissioner of Income Tax (Appeals)
	Income Tax	53.46	2010-11	Commissioner of Income Tax (Appeals)

- 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 or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) except term loans which is applied for the purposes for which they are obtained.
- 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 on or by the Company, 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



**Annexure to Independent Auditors' Report**

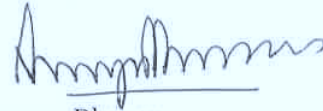
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Limited on the standalone financial statements for the year ended March 31, 2016

Page 3 of 3

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



Anupam Dhawan  
Partner  
Membership Number: 084451

Place: New Delhi  
Date: May 10, 2016



# Price Waterhouse

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT

To the Members of NIIT Limited

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of NIIT Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and associate company; (refer Note 2.1 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 including its associate and jointly controlled entities 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. 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 and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate respectively 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.



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INDEPENDENT AUDITORS' REPORT  
To the Members of NIIT Limited  
Report on the Consolidated Financial Statements

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 and its associate 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 of 22 subsidiaries whose financial statements reflect total assets of Rs. 2,677 million and net assets of Rs. 1,459 million as at March 31, 2016, total revenue of Rs. 4,270 million, net profit of Rs. 558 million and net cash flows amounting to Rs. 65 million 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-section (3) 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.

**Report on Other Legal and Regulatory Requirements**

9. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and associate company 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.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the



INDEPENDENT AUDITORS' REPORT  
To the Members of NIIT Limited  
Report on the Consolidated Financial Statements

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 and associate company incorporated in India including relevant records relating to the preparation of the consolidated financial statements.

(d) 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.

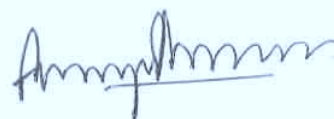
(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company 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.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate company 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 and its associate— Refer Note 19 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 (a) Note 10 to the consolidated financial statements in respect of such items as it relates to the Group and its associate and (b) the Group's share of net profit in respect of its associate.
- 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 and associate company incorporated in India during the year ended March 31, 2016.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants



Anupam Dhawan  
Partner  
Membership Number 084451

Place: New Delhi  
Date: May 10, 2016



## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT 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 Limited (hereinafter referred to as "the Holding Company") its subsidiary companies and associate company 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, its subsidiary companies and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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)



## **Annexure A to Independent Auditors' Report**

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

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 Holding Company, its subsidiary companies and its associate company, 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 one subsidiary company which is a company incorporated in India, is based on the corresponding report of the auditor of the company 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

Membership Number 084451

Place: New Delhi  
Date: May 10, 2016

# NIIT

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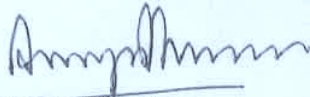
www.niit.com

## FORM A

(For audit report with unmodified opinion along-with Standalone Financial Results)

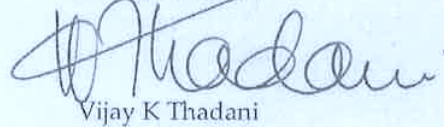
1.	Name of the Company	NIIT Limited
2.	Annual Financial statements for the year ended	March 31, 2016
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not Applicable

For Price Waterhouse  
Firm Registration No. 301112E  
Chartered Accountants

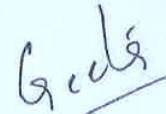


Anupam Dhawan  
Partner  
Membership No.-084451

For NIIT Limited



Vijay K Thadani  
(Vice- Chairman & Managing Director)



Geeta Mathur  
(Audit Committee Chairman)



Rohit Kumar Gupta  
(Chief Financial Officer)



# NIIT

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CIN: L74899DL1981PLC015865

## FORM A

www.niit.com

(For audit report with unmodified opinion along-with Consolidated Financial Results)

1.	Name of the Company	NIIT Limited
2.	Annual Financial statements for the year ended	March 31, 2016
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not Applicable

For Price Waterhouse  
Firm Registration No. 301112E  
Chartered Accountants  
  
Anupam Dhawan  
Partner  
Membership No.-084451

For NIIT Limited  
  
Vijay K Thadani  
(Vice- Chairman & Managing Director)

  
Geeta Mathur  
(Audit Committee Chairman)

  
Rohit Kumar Gupta  
(Chief Financial Officer)