

Consolidated Q4  
PAT up 107% YoY  
to Rs. 17.1 crore

Consolidated Q4 Net  
Revenues up 123% YoY  
to Rs. 256.6 crore

Board Recommends  
enhanced dividend  
of 65%

Board Recommends  
Bonus of 1 equity  
share for every 2 held

**NIIT**

**NIIT Limited**

Regd Office : NIIT House, C-125 Okhla Ph-1  
New Delhi-110020 Ph : 91 (11) 41407000  
Fax : 91 (11) 26817344 Website : <http://www.niit.com>  
Email : [investors@niit.com](mailto:investors@niit.com)

## Audited Financial Results for the Year Ended 31st March 2007

(Rs. Lacs)

Particulars  (1)	INDEPENDENT FINANCIALS					CONSOLIDATED FINANCIALS	
	Nine months Ended 31st Dec. 2006  (2)	Quarter Ended 31st March 2007  (3)	Corresponding Quarter Ended 31st March 2006  (4)	Year Ended 31st March 2007 ( Audited )  (5)	Previous Year Ended 31st March 2006 ( Audited )  (6)	Year Ended 31st March 2007 ( Audited )  (7)	Previous Year Ended 31st March 2006 ( Audited )  (8)
1. <b>Income from Operations</b>	<b>28,272</b>	<b>10,755</b>	<b>9,010</b>	<b>39,027</b>	<b>33,777</b>	<b>79,513</b>	<b>45,071</b>
2. Other Income							
- Interest	322	112	73	434	204	370	194
- Others	724	330	(191)	1,054	712	794	654
3. <b>Total Expenditure</b>	<b>24,415</b>	<b>8,924</b>	<b>7,158</b>	<b>33,339</b>	<b>28,821</b>	<b>71,881</b>	<b>39,065</b>
a) (Increase)/Decrease in stock	(387)	72	23	(315)	(144)	(441)	(74)
b) Consumption of Raw Material	-	-	-	-	-	1,002	-
c) Personnel Cost	7,869	3,010	2,487	10,879	8,907	25,545	12,802
d) Development, Production & Execution	8,165	2,745	2,647	10,910	11,713	26,175	15,185
e) Others	8,768	3,097	2,001	11,865	8,345	19,600	11,152
4. Interest Expenses	591	252	129	843	558	1,610	464
5. Depreciation	2,275	865	580	3,140	2,376	4,726	3,735
6. <b>Profit before Taxes</b>	<b>2,037</b>	<b>1,156</b>	<b>1,025</b>	<b>3,193</b>	<b>2,938</b>	<b>2,460</b>	<b>2,655</b>
7. Provision for Taxation/ Deferred Tax	(55)	86	(55)	31	189	170	242
- Current Tax	203	117	92	320	200	484	252
- Deferred Tax Charge/ (Credit)	(393)	48	(200)	(345)	(200)	(378)	(200)
- Fringe Benefit Tax	135	58	53	193	189	201	190
- MAT Credit entitlement	-	(137)	-	(137)	-	(137)	-
8. Provision/ (Write back) for tax relating to earlier years	(132)	-	50	(132)	50	(132)	50
9. <b>Profit / (Loss) after Tax before share of Associates' Profit</b>	<b>2,224</b>	<b>1,070</b>	<b>1,030</b>	<b>3,294</b>	<b>2,699</b>	<b>2,422</b>	<b>2,363</b>
10. Profit / (Loss) of Associates						3,240	1,643
11. <b>Profit / (Loss) after Tax after share of Associates' Profit</b>						<b>5,662</b>	<b>4,006</b>
12. Provision created / (written back) for Dividend on Cumulative Preference Shares of Subsidiary and Tax thereon						-	(136)
13. Net Profit / (Loss) attributable to minority						(68)	7
14. <b>Income attributable to Consolidated Group</b>						<b>5,730</b>	<b>4,135</b>
15. Paid up Equity Share Capital (Face Value of Rs. 10 each, fully paid)	1,945	1,976	1,932	1,976	1,932	1,976	1,932
16. <b>Reserves</b>				<b>28,902</b>	<b>26,751</b>	<b>29,188</b>	<b>24,053</b>
17. Earnings per share (in Rs.) - (not to be annualised)							
- Basic	11.48	5.49	5.33	16.97	13.97	29.54	21.40
- Diluted	11.19	5.24	5.22	16.34	13.88	28.06	21.05
18. Aggregate of Public Shareholding							
- Number of Shares				13,070,569	12,731,961		
- Percentage of Shareholding				66.16%	65.88%		

**Notes to Independent and consolidated financials :**

- 1) The implementation of Accounting Standard 15 (Revised 2005) 'Employees Benefits' has resulted in an additional liability towards compensated absences up to March 31, 2006 amounting to Rs. 443 Lacs (net of deferred taxes) (Rs. 457 Lacs in consolidated financials), which has been adjusted against opening reserves as on April 1, 2006 and the same stands adjusted to Rs. 26,308 Lacs (Rs. 23,596 Lacs in consolidated financials). Its implementation has also resulted in increased personnel cost of Rs. 47.15 Lacs (Rs. 52.05 Lacs in consolidated financials) for the year with a corresponding decrease in profit before tax.
- 2) During the year, Company has made long term investments in its wholly owned subsidiaries as follows:
  - NIIT (USA) Inc., USA : Rs. 2,564 Lacs
  - NIIT Limited, UK : Rs. 49 Lacs
- 3) During the year, the Company has granted loans as follows:
  - a) Rs. 933.60 Lacs to its wholly owned subsidiary NIIT (USA) Inc., USA, Rs. 10 Lacs (net) to NIIT Multimedia Limited, and Rs. 132 Lacs to Hole-in-The-Wall Education Limited.
  - b) Rs. 2,065 Lacs (net) to NIIT Education Society, a society registered under the Societies Registration Act, XXI of 1860 with Registrar of Societies, Government of NCT of Delhi.
- 4) During the year, Company has taken additional loan of Rs. 575 Lacs from its subsidiary Scantech Evaluation Services Limited.
- 5) The Company has invested a sum of Rs. 400 Lacs, representing 80% of the paid up Equity Capital ( at par) of NIIT Institute of Finance Banking and Insurance Training Limited. The subsidiary would cater to the growing needs of the training in Banking, Insurance and Financial Services Sector in India and Overseas markets.
- 6) Loan of Rs. 1,000 Lacs granted to NIITian Welfare Trust in earlier years has been received back during the year.
- 7) During the year, Company has disposed off part of its holding in Mindshaper Technologies Pvt. Limited of 28,683 fully paid up equity shares of Rs. 10 each for a consideration of Rs. 50 Lacs. Further, holding of 600,000 fully paid equity shares of Rs. 10 each in Medvarsity Online Limited was also disposed off for a consideration of Rs. 64.50 Lacs.
- 8) During the year, NIIT Ventures Inc., USA (NVI) was formed. NVI which is wholly owned subsidiary of NIIT (USA) Inc., USA, acquired US based learning Company Element K Corporation for a cash consideration of Rs. 16,448 Lacs.
- 9) NIIT (USA) Inc., USA, a wholly owned subsidiary, has entered into a facility agreement with ICICI Bank Limited and its affiliates for a loan of Rs. 16,315 Lacs. This loan was taken for the purpose of acquisition of Element K Corporation through its step down subsidiary NIIT Venture Inc., USA. NIIT Limited has extended a corporate guarantee and a negative lien on the shares of NIIT Technologies Limited held by its wholly owned subsidiary Scantech Evaluation Services Limited.
- 10) The accounting policy of amortisation of goodwill arising on consolidation has been discontinued for acquisition made after April 01, 2006. For financial year 2006-07, the Accounting Standard 28 on Impairment has been applied on such goodwill in line with generally accepted industry practice. Accordingly, on such goodwill arising from the acquisition of Element K Corp., USA, no impairment charge has been recognised. If the earlier policy had been continued, the amortisation charge for such goodwill would have been Rs 3,017 Lacs.
- 11) During the year, Company has acquired 5,600,000 non-convertible cumulative redeemable preference shares of par value of Rs. 10 each in the capital of Hole-in-the-Wall Education Limited, a subsidiary of the Company, for a total consideration of Rs. 100/-, from International Finance Corporation (IFC), USA.
- 12) During the year, Company has charged a sum of Rs. 683 Lacs from its subsidiary NIIT Antilles NV, Netherlands. The amount charged pertains to the current financial year and is towards services in the nature of technical, sales and marketing development support provided by the Company to NIIT Antilles NV.
- 13) During the year, pursuant to Employees Stock Option Plan 2005, 558,750 options were vested; 430,567 options were exercised; 3,700 options were lapsed post vesting and 124,483 live options remain unexercised as on March 31, 2007.
- 14) Development, Production and Execution expenses include course execution charges for the quarter Rs. 386 Lacs, for 9 months Rs.2,681 Lacs and for the year ended March 31, 2007 Rs. 3,067 Lacs (Previous quarter and year Rs. 727 Lacs and Rs. 4,554 Lacs respectively). Other expenses includes marketing expenses for the quarter Rs. 964 Lacs, for 9 months Rs.2,719 Lacs and for the year ended March 31, 2007 Rs. 3,683 Lacs (Previous quarter and year Rs. 465 Lacs and Rs. 2,354 Lacs respectively).
- 15) 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 segment.
- 16) The Board of Directors have recommended a dividend of Rs. 6.50 per equity share (Previous year Rs. 6.00 per equity share)
- 17) During the previous year, the Company had issued 2.5%, 1,000 Foreign Currency Convertible Bonds of USD 10,000 each amounting to Rs. 4,379 Lacs. Subsequent to the year end these bonds have been converted into 2,188,000 equity shares of Rs. 10 each fully paid as per the terms of the agreement. Dividend has been provided on the additional shares so issued.
- 18) At the beginning of the quarter, 1 investor complaint was pending for resolution, which was resolved during the current quarter. 8 complaints were received during the current quarter, all 9 complaints were disposed off and no complaint was pending for resolution as on March 31, 2007.
- 19) The figures of the previous period/ year, to the extent feasible, have been regrouped/ reclassified to conform to the current quarter/ year's classification.
- 20) The above results have been approved and taken on record by the Board of Directors of the Company at its meeting held on June 05, 2007.

Place : New Delhi  
Date : June 5, 2007

By order of the Board  
For NIIT Limited  
Sd/-  
Vijay K. Thadani  
Whole-time Director