



**NIIT**



**LEADERSHIP  
IN DIGITAL  
LEARNING  
WORLD**

**ANNUAL REPORT 2016-17**

# 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.

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**NIIT**

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# Chairman's message

## Dear Shareowners,

FY 17 was a challenging phase for the global economy, which slowed down even further in the face of macro-economic uncertainties, currency volatility and major geo-political developments.

Economic activity in India slowed down as well in the second half of the financial year because of the temporary dip in consumption induced by cash shortages and payment disruptions from the currency exchange initiative.

These developments—across the world and on home turf—impacted your Company, which faced a scenario where customer companies were more risk averse, more cautious and slower to make decisions.

The good news however is that despite the adverse economic conditions, global corporations continued to invest in training, and built up greater trust in their outsourcing training partners.

This trend was fuelled by the Digital Transformation (DX) phenomenon sweeping the world, which added a completely new dimension to the area of talent development.

A scaling of DX investments created a demand for a new crop of talent that was equipped with advanced Digital skills. It therefore compelled these organizations to take a serious view of reskilling existing manpower, or acquiring professionals well versed in Digital.

## Focus

The DX and automation trends acted as a spur for your Company, which has been quick to recognize the opportunities being created by the rise of Digital. NIIT's early mover advantage in the Digital skilling realm, and its focus on building manpower for this rapidly expanding arena, served it well during FY 17. It also helped your Company to offset the slowdown in demand for IT skills, which resulted from an overall lower hiring sentiment displayed by the IT-BPM sector.

Overall, NIIT focused on introducing a spate of new offerings that expanded its multi-disciplinary learning management and training delivery solutions portfolio in FY 17. It strengthened its platforms of growth while concentrating on improving liquidity, profitability and capital efficiency.

## Business Performance

Your Company remained in robust financial health during FY 17, logging in revenues of Rs. 1187.7 crore YoY with a PAT of Rs. 65.1 crore.

Besides a landmark and revenue positive Q4, NIIT also rode on the back of a strong revenue performance by its Corporate Learning Group, (CLG) which kept it on the path of growth and profitability.

As in past years, Managed Training Services (MTS), remained in the driving seat for CLG, accounting for 97 percent of the revenues of that business in Q4 and building up a customer portfolio of 34 organizations worldwide. MTS incidentally has grown by seven fold over the last six years!

It was essentially significant deals, including the one forged with the Real Estate Council of Ontario, and multi-year contracts and renewals in the Telecom, Oil & Gas, Life Sciences, Technology, Manufacturing, Energy, and Mining sectors that continued to catalyze CLG's momentum during the year.



The efforts of the B2B India team also contributed to the success of CLG, enabling the business to deepen its engagements with clients in India such as Wipro, ICICI, Reliance, Vodafone, Gionee, Maruti-Suzuki, Deloitte among other blue-chip Indian and MNC firms.

Your Company's Skills & Careers Business (SNC) meanwhile remained stable, based on the traction achieved by business renewal initiatives such as StackRoute™, the DigiNxt series, 'India's Nxt Tech Star', Training.com and NIIT.tv.

The innovative StackRoute™ initiative helped create a talent pool of hundreds of Digital innovators for the IT industry within a year of its launch. StackRoute seems to have caught the imagination of Indian corporates, drawing firms in Bengaluru, Chennai and Delhi NCR.

Your Company's multi-modal training platform Training.com meanwhile addressed the reskilling and continuous training needs of CXOs through a newly penned partnership with India's premier B-School, IIM Calcutta. Within a short span of time, the platform has generated more than 1.2 million visitors with over two million page views.

All these were very positive developments for NIIT as the SNC business was facing headwinds in the previous years. FY 17 then was a comeback year. As demand for vanilla IT training declined and the need for Digital skills scaled, NIIT introduced a wide range of Digital products which drew a positive response from the market.

Besides India, SNC made significant strides in its key Asian playgrounds—China, Vietnam and Bangladesh. While in China your Company set up its largest Big Data talent training base in Guiyang City, it launched its first specialized IT center in Hoa Sen, Vietnam to create talent pool for its Digitalization and unveiled its Center of Excellence in Bangladesh.

SNC's other key initiatives including NIIT.tv, NIIT Imperia and its 'Beyond IT courses' kept steady course, adding new partnerships, fresh learning programs and drawing customers especially in the banking domain.

And last but not least, your Company's MindChampion Learning Systems Ltd. (MLSL), a wholly-owned subsidiary under the Schools Learning Group (SLG) banner, kept its momentum going, while maintaining operational balance and increasing efficiency. During FY 17 MLSL improved its margins through a continued focus on cost management and its go forward IP-driven business which increased by 29 percent YoY.

During the year MLSL signed contracts with leading private schools notching up an order intake of Rs. 422 million.

## **Achievements**

Having built credibility over decades within the Indian and overseas markets, NIIT continued to be a trusted brand in the IT and now Digital Transformation training segment.

In India, it was recognized in 2017 as 'India's Most Trusted Training Brand' by Trust Research Advisory for the fifth consecutive year. During the year, Training.com was conferred with the 'eEducation Services of the Year–Online educational services award 2017' by Franchise India. Another big accolade your Company won was for its NIIT USA business, which was ranked among the 'Top 20 Training Outsourcing Companies 2017' by TrainingIndustry.com for the 10th consecutive year. The organization also ranked NIIT USA among the 'Top 20 Companies in Content Development 2017' for the seventh consecutive year.

## **Future outlook**

With the successful completion of the restructuring and re-energization phase of its three-phase transformation journey which it began in 2015, your Company has now entered the renewal phase of the initiative. NIIT has in place the strategy, execution roadmap and leadership team in place to roll out this transformation.

In FY 18, the CLG business will remain a significant spur for the company's growth, owing to its strong pipeline of new orders. CLG is expected to expand its MTS footprint and leverage new opportunities that start out large. The business will gravitate towards higher margin services and explore inorganic opportunities to add new capabilities.

SNC meanwhile is expected to put its power behind its DigiNxt series and StackRoute programs to gain ground in the Digital training realm. The business will continue to focus on the India and China markets to drive future growth.

In the School Learning segment, your Company will work to position itself as the largest and best school service provider.

NIIT's investments in building capability for large comprehensive deals too are expected to hold it in good stead in FY 18.

I would like to thank each one of you for remaining solidly behind NIIT for all these years. I know for sure that NIIT will go the extra mile to meet and in fact, exceed your expectations.

**Rajendra Pawar,**  
**Chairman, NIIT Ltd.**

## Corporate Information

**CIN:** L74899DL1981PLC015865

**CHIEF EXECUTIVE OFFICER**

RAHUL KESHAV PATWARDHAN

**CHIEF FINANCIAL OFFICER**

AMIT ROY

**COMPANY SECRETARY**

DEEPAK BANSAL

**AUDITORS**

PRICE WATERHOUSE

**BANKS**

INDIAN OVERSEAS BANK

ICICI BANK

STANDARD CHARTERED BANK

CITIBANK NA

WELLS FARGO BANK

LLYODS TSB BANK PLC

YES BANK

RBL BANK

**REGISTERED OFFICE**

8, BALAJI ESTATE, FIRST FLOOR

GURU RAVI DAS MARG, KALKAJI

NEW DELHI 110 019, INDIA

EMAIL (INVESTOR SERVICES):

INVESTORS@NIIT.COM

TEL NOS.: +91 11 41675000

FAX: + 91 11 41407120

**CORPORATE OFFICE**

85, SECTOR 32, INSTITUTIONAL

GURGAON 122 001, INDIA

EMAIL: NIIT.WEBMASTER@NIIT.COM

TEL NOS.: +91 124 4293000

FAX: +91 124 4293333

**REGISTRAR AND  
SHARETRANSFER AGENT**

ALANKIT ASSIGNMENTS LIMITED

UNIT-NIIT LIMITED

ALANKIT HEIGHTS

1E/13, JHANDEWALAN EXTN.

NEW DELHI 110 055, INDIA

TEL NOS.: +91 11 23541234  
4254, 1234

FAX: +91 11 42541967

**WEBSITE**

WWW.NIIT.COM

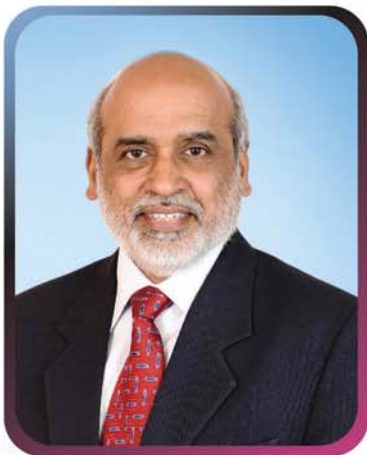
# BOARD OF



**Rajendra S Pawar,**  
Chairman



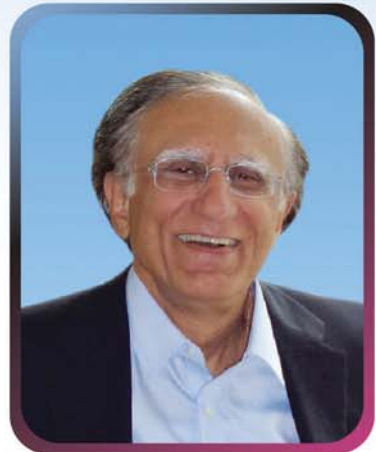
**Vijay K. Thadani**  
Vice Chairman &  
Managing Director



**P. Rajendran,**  
Joint Managing Director

# DIRECTORS

**Mr. Sanjay khosla,**  
Director



**Mr. Surendra Singh,**  
Director

**Anand Sudarshan,**  
Director



**Geeta Mathur,**  
Director



The cover features a photograph of a modern building with a large glass facade and a courtyard with greenery. A large group of people is posed in the courtyard. A large, semi-transparent sphere with a blue and purple gradient is overlaid on the right side, containing the title. The background is decorated with abstract, colorful geometric shapes in shades of blue, purple, and pink.

# NIIT AT A GLANCE

2016-17

Established in 1981, NIIT Limited, a global leader in Skills and Talent Development, offers multi-disciplinary learning management and training delivery solutions to corporations, institutions and individuals in over 40 countries. The company ranks among the world's leading training companies owing to its vast, yet comprehensive array of talent development programs.

With a strong focus on assuming leadership role in the **Digital Learning World** and to further accelerate NIIT's growth and profitability, the company has charted a focused business strategy to address the Digital Transformation needs for individuals and corporate customers by offering training and consulting to help them re-invent themselves & their organisations.

The **Training.com** learning platform, is a pioneering initiative for advanced career programs, which are delivered live by industry experts in an immersive and interactive online mode, combining instructor-led classrooms with the convenience of accessing the training sessions from anywhere. The programs are targeted at working professionals who want to take their careers to the next level by enhancing their knowledge of the latest concepts through programs offered from premier institutes like IIM Calcutta, DMI Ireland and EdX.

Other key offerings include **StackRoute** which focuses on creating Digital Innovators by building an elite breed of Full-stack programmers; **DigiNXT** which addresses the urgent need to help India's IT Services industry source fresh staff as well as retrain 4 million of their existing staff into Digital Developers and finally **NIIT.tv** that aims to create Digital Workers and Digital Citizens by bringing skilling from NIIT classrooms to every digitally connected Indian, for free, at any time and place of their choice to train the masses to evolve their skills and participate productively in the future digital world.

As a company, NIIT has three main lines of businesses namely – Corporate Learning Group, Skills and Careers Group and **MLSL MindChampion Learning Systems Limited** – which will lead the transition of the organisation into the Digital Learning World.

**NIIT's Corporate Learning Group (CLG)** offers comprehensive suite of Managed Training Services that includes custom Curriculum Design and Content Development, Learning Administration, Learning Delivery, Strategic Sourcing, Learning Technology, and Advisory Services to leading companies in North America, Europe, Asia and Oceania.





NIIT's Skills and Careers Group (SNC) delivers a diverse range of learning and talent development programs to millions of individual and corporate learners in areas including Banking, Finance & Insurance, Retail Sales Enablement, Management Education, Multi-Sectoral Vocational Skills, Digital Media Marketing, and programs in digital transformation technologies.

As NIIT wholly owned subsidiary for its K-12 school learning initiative - MindChampion Learning Systems Limited (MLSL), is providing technology based learning to around 2,000 private schools across India, reaching out to more than a million students. The futuristic NIIT nGuru range of learning solutions for schools comprises Interactive Classrooms with digital content, technology-driven Math Lab, IT Wizard programs and Quick School - an Education Resource Planning software.

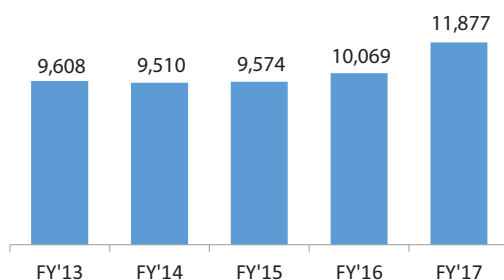


## Recent Awards and Acknowledgments

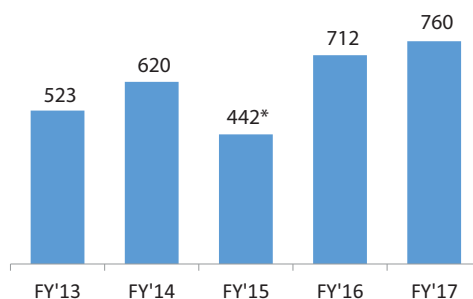
- NIIT was recognized as 'India's Most Trusted Training Brand' 2017 by Trust Research Advisory (TRA) for the 5th consecutive year.
- NIIT was also featured as the 'Most Respected Education Company' – 2016 by leading financial magazine, Business World.
- NIIT bagged the 'Best Innovation Brand award' 2016 in the Education sector at ASSOCHAM National Brand Summit.
- NIIT.tv - a disruptive innovation by NIIT Limited was awarded the 'Best online education platform' at the Indian Education Awards 2016 organized by Franchise India, India's leading Franchising publication.
- NIIT.tv was acknowledged for Education Technology (Institutions) by Indo-American Education Summit 2016.
- NIIT Limited won the 'Innovation and Technology' award under the Special category at the Franchise Awards Star Retailer Awards 2016 by Franchise India.
- NIIT Imperia won the 'Best training to Working Professionals' category at the BBC Knowledge Education Leadership Awards 2016.
- Training.com won 'eEducation Services of the Year – Online educational services award 2017' by Franchise India.
- NIIT USA was awarded 'CLO LearningElite Gold Award 2016'.
- NIIT USA received '8 Brandon Hall Excellence in Learning Awards 2016' jointly with customers.
- NIIT USA was ranked among the 'Top 20 Training Outsourcing Companies 2017' by TrainingIndustry.com for the 10 th consecutive year.
- NIIT UK was awarded the status of 'Accredited Learning Provider' by Learning and Performance Institute (LPI), UK.
- NIIT USA was ranked among the 'Top 20 Companies in Content Development 2017' by TrainingIndustry.com for the seventh consecutive year.
- NIIT USA was ranked among the 'Top 20 Companies in Gamification 2016' by TrainingIndustry.com for the third consecutive year.

(Amount in INR Mn)

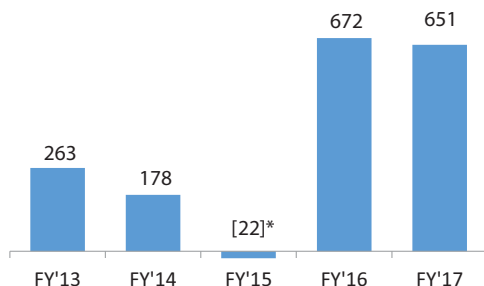
### Revenue



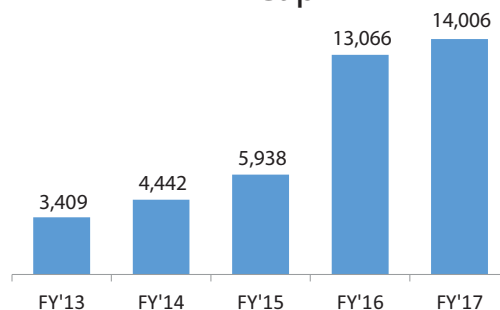
### EBITDA



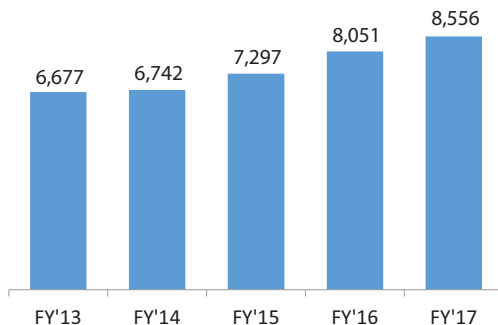
### PAT



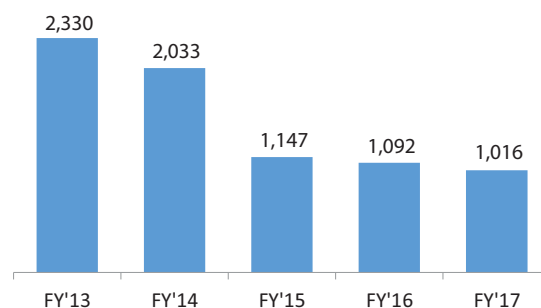
### M-Cap



### Net Worth



### Net Fixed Assets (Incl CWIP)



\*EBITDA and PAT for FY'15 excludes Business transformation expenses.

## NOTICE

Notice is hereby given that 34<sup>th</sup> Annual General Meeting ("AGM") of the Members of NIIT Limited will be held on Friday, 22<sup>nd</sup> day of September, 2017, at 10.00 A.M. at The Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi – 110 074, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2017 together with the Report of the Auditors thereon.
2. To appoint Mr. Vijay K Thadani (DIN: 00042527), who retires by rotation and being eligible, offers himself for re-appointment, as a Director.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :  
**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s S R Batliboi & Associates LLP, Chartered Accounts, FRN 101049W/E300004, be and are hereby appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years to hold office from the conclusion of this 34<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 39<sup>th</sup> AGM, subject to ratification of their appointment by Members at every AGM, at such remuneration as may be decided by the Board of Directors of the Company."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in

order to give effect to the above resolution and for matters connected therewith or incidental thereto."

### SPECIAL BUSINESS

4. To ratify the remuneration of Cost Auditors for the financial year 2016-17 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of Rs. 286,225/- (excluding) service tax and out of pocket expenses (if any) payable to Ramanath Iyer & Co., Cost Accountants, appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year 2016-17, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution and for matters connected therewith or incidental thereto."

5. To approve the payment of remuneration to Mr. Vijay K Thadani, Vice-Chairman and Managing Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in continuation to the Special Resolution passed by the Members of the Company at the Annual General Meeting held on July 7, 2014, pursuant to the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 and other applicable provisions, if any, read with the relevant rules thereof (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other necessary approval(s), consent(s) or permission(s) (including any Central Government approval) as may be required and applicable to the Company for any financial year, approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Vijay K Thadani (DIN : 00042527), Vice Chairman & Managing Director

## NOTICE (Contd.)

upto the statutory limits specified in Schedule V of the Companies Act 2013 (as amended/ modified from time to time and for the time being in force) as minimum remuneration, in the event of inadequacy of profits or no profits in the Company in any financial year, during the remaining period of his tenure i.e., April 1, 2017 till March 31, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorized to finalize the remuneration to be paid to Mr. Vijay K Thadani Vice-Chairman & Managing Director, upto the maximum limit of Schedule V, as applicable to the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution and for matters connected therewith or incidental thereto."

6. **To approve the payment of remuneration to Mr. P Rajendran, Joint Managing Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"**RESOLVED THAT** in continuation to the Special Resolution passed by the Members of the Company at the Annual General Meeting held on July 7, 2014, pursuant to the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 and other applicable provisions, if any, read with the relevant rules thereof (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other necessary approval(s), consent(s) or permission(s) (including any Central Government approval) as may be required and applicable to the Company for any financial year, approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. P Rajendran (DIN : 00042531), Joint Managing Director upto the statutory limits specified in Schedule V of the Companies Act 2013 (as amended/ modified from time to time and for the time being in force) as minimum remuneration, in the event of inadequacy of profits or no profits in the Company in any financial year, during the remaining period of his tenure i.e., April 1, 2017 till March 31, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorized to finalize the remuneration to be paid to Mr. P Rajendran, Joint Managing Director upto the maximum limit of Schedule V, as applicable to the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution and for matters connected therewith or incidental thereto."

7. **To approve the payment of commission to Non-Executive Directors of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members of the Company be and is hereby accorded to pay to Directors (other than Managing / Whole-time Directors of the Company) for a period of five financial years commencing from April 1, 2017, such Commission as may be determined by the Board of Directors or its authorized Committee from time to time. However, such Commission shall not exceed the ceiling as prescribed under Section 197 of the Companies Act, 2013 i.e., 1% (one percent) per annum of the net profits of the Company as computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized for this purpose) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution and for matters connected therewith or incidental thereto."

## NOTICE (Contd.)

8. To approve re-classification of "AKM Systems Private Limited" from the category of 'Promoter/ Promoter Group Shareholder' to 'Public Shareholder' and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions, if any, under the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such necessary approval(s), consent(s), permission(s) (including any from Stock Exchanges/ SEBI) as may be required and applicable to the Company and according to the provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded and granted for re-classification of M/s AKM Systems Private Limited" from the category of "Promoter/ Promoter Group Shareholder" to "Public Shareholder" of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ Official authorized by the Board of Directors for this purpose) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution and for matters connected therewith or incidental thereto."

By Order of the Board  
For NIIT Limited

Deepak Bansal

Company Secretary

Place: Gurugram  
Date: May 17, 2017

Membership No. ACS 11579

### NOTES:

1. A Statement pursuant to section 102 (1) of the Companies Act, 2013 ("the Act"), in respect of Special Business as set out above to be transacted at Annual General Meeting ("AGM") is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. IN ORDER TO BE EFFECTIVE, PROXY FORM SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 8, BALAJI ESTATE, FIRST FLOOR, 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. A BLANK PROXY FORM IS ATTACHED WITH THE ANNUAL REPORT. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN 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.
- The proxy form(s) which does not state the name of proxy or is undated, unstamped or inadequately stamped or upon which the stamps have not been cancelled 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 AGM.
- In case the AGM 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.
3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified true copy of the relevant Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM, together with the specimen signature of the authorized representative(s).
4. All the documents referred in the Notice, Annual Report including Financial Statements of the subsidiary companies and Register of Contracts, Register of Directors' Shareholding shall be available for inspection by the Members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) between 10:00 a.m. to 1:00 p.m., up to the date of the Meeting. The aforesaid documents will also be available for inspection by Members at the AGM.

## NOTICE (Contd.)

5. Statutory Auditors' certificate certifying that the Company's stock option plan has been implemented in accordance with the applicable SEBI Guidelines and Regulations and in accordance with resolutions passed by the Members, will be available at the AGM for inspection by the Members.
6. In terms of Section 152 of the Act, Mr. Vijay K Thadani, Director of the Company, who retires by rotation at the Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.
7. Keeping in view the requirements set out in the Act, the Audit Committee and Board of Directors of the Company have recommended appointment of S R Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W/E300004) as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the financial year ending March 31, 2018. S R Batliboi & Associates LLP, Chartered Accountants have consented and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act. They have also confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.
8. Members holding shares in physical form may write to the Company for any change in their address and bank mandate and Members holding shares in electronic form may inform any change in address and bank mandate to their Depository Participant (DP).
9. Members who have not registered / updated their e-mail addresses with the Registrar, if shares are held in physical mode or with their DP, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars etc., electronically.
10. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares, to the Company.
11. 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 mode are, therefore, requested to submit their PAN card copy (duly attested) to their DP with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN card copy (duly attested) to the Company or its Registrar.
12. Members holding shares in physical mode are advised to make nomination in respect of their shareholding in the Company. A downloadable version of the nomination form (SH-13) is available under Investor Relations section on the Company's website: [www.niit.com](http://www.niit.com). Members holding shares in electronic mode may contact their respective DP for availing the nomination facility.
13. All unclaimed/unpaid dividend up to the financial year ended on March 31, 2009, have been transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 205A of the Companies Act, 1956 (corresponding Section 124 of Companies Act, 2013). The details of unpaid and unclaimed dividend amounts is available on the website of the Company and the same can be accessed through the link: <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>. Members who have not encashed the dividend so far in respect of financial years from 2009-10 to 2016-17 are requested to write to the Registrar who shall arrange to send the unclaimed dividend amount. As on March 31, 2017, the amount outstanding in unclaimed dividend account for financial year ended March 31, 2010 is Rs. 1,270,736.60.
14. Attention of the Members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has already initiated necessary action for

## NOTICE (Contd.)

transfer of all shares in respect of which dividend declared for the financial year 2009-10 or earlier financial years has not been paid or claimed by the Members for 7 (seven) consecutive years or more. Members are advised to visit the web-link: <http://www.niit.com> to ascertain details of shares liable for transfer in the name of IEPF Authority.

15. The Members desirous of obtaining any information/ clarification concerning the financial statements and operations of the Company are requested to address their questions in writing to the Company Secretary at least ten days before the AGM, so that the information required may be made available at the AGM.

16. Pursuant to the provisions of the Act read with the rules framed thereunder, the Company may send Notice of General Meeting, Directors' Report, Auditors' Report, Financial Statement and other documents through electronic mode. Further, 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 addresses and changes therein. In view of the same, Members are requested to kindly update their e-mail addresses with DP in case they hold shares in demat form. If shares are held in physical form, Members are requested to inform their e-mail addresses to the Company.

17. Electronic copy of the Notice of the 34<sup>th</sup> AGM 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 addresses are registered with the Company/DP for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

18. Voting through electronic means :

I. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide facility to their Members to exercise their right to vote on

resolutions proposed to be considered at the Annual General Meeting by electronic means, to be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited ("NSDL").

The Members attending the AGM, who have not already cast their votes by remote e-voting, will be able to vote on the resolutions at the AGM through ballot paper.

II. The remote e-voting period commences on September 19, 2017 (9:00 A.M.) and ends on September 21, 2017 (5:00 P.M.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 15, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member will not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

III. The process and manner for remote e-voting are as under:

(i) NSDL shall be sending the User ID and Password to those Members whose shareholding is in the dematerialized format and whose e-mail addresses are registered with the Company/Depository Participant(s). For Members who have not registered their e-mail addresses, can use the details as provided in the e-voting instruction being sent along with the 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 Login.

(v) Password change menu appears. Change the password/PIN with new password of the Member's choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

## NOTICE (Contd.)

- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "NIIT LIMITED".
  - (viii) Now the system is ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast the 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 a Member has voted on the resolution, modification of the vote is not permitted.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG 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 [officenns@gmail.com](mailto:officenns@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- IV. In case of any queries, Members may refer Frequently Asked Questions (FAQs) and remote e-voting user manual available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- V. If Members are already registered with NSDL for remote e-voting then Members can use their existing User ID and Password/PIN for casting their vote.
- VI. Members can also update their mobile number and e-mail addresses in the user profile details of the folio which may be used for sending future communication(s).
- VII. The voting rights of 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 September 15, 2017.
- VIII. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. September 15, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [investors@niit.com](mailto:investors@niit.com).
- However, if Members are already registered with NSDL for remote e-voting then they can use their existing user ID and password for casting their vote. If Members have forgot their password, then can reset their password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free no.: 1800-222-990.
- IX. A Member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- X. 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 AGM through ballot paper.
- XI. Mr. Nityanand Singh, Company Secretary (Membership No. FCS 2668) of M/s. Nityanand Singh & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XII. After close of discussion on the resolutions on which voting is to be held, the Chairman shall allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, 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 provide, not later than forty eight (48) hours of the conclusion of the AGM, 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 and declare the results of the voting forthwith. The results of the voting shall be displayed on the Notice Board of the Company at its Registered office as well as Corporate office.

## NOTICE (Contd.)

XIV. The Results declared along with the report of the Scrutinizer shall be displayed on the website of the Company [www.niit.com](http://www.niit.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to National Stock Exchange of India and BSE Limited.

19. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/ PROXIES TO THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS / PROXIES MAY PLEASE NOTE THAT NO GIFTS / GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

20. Details of Director(s) retiring by rotation, as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Name	Vijay K Thadani
Age	66 years
Date of first appointment on the Board	December 02, 1981
Qualifications	B. Tech
Expertise in specific functional area	As the Vice-Chairman & Managing Director of the Company, Mr. Thadani provides strategic direction and oversight to the Chief Executives and Heads of the Company's global businesses. His responsibilities include leading the Company's Strategic Alliance and Technology partnership initiatives and in addition to oversee the Finance, Investor Relations and Corporate Communications functions. He also serves as the Chairman, Board of Directors of NIIT Institute of Finance Banking and Insurance Training Limited and NIIT Yuva Jyoti Limited.
Number of Equity Shares held in the Company	158,527 Equity Shares*
Relationship with other Directors/ Manager/ KMP	Nil

No. of Board Meetings attended during the year	Held 7( seven), attended 7( seven)
Directorship of other Boards as on March 31, 2017	<ul style="list-style-type: none"> <li>NIIT Technologies Limited (Listed Company)</li> <li>NIIT Institute of Finance Banking and Insurance Training Limited</li> <li>NIIT Institute of Process Excellence Limited</li> <li>NIIT Yuva Jyoti Limited</li> <li>Mindchampion Learning Systems Limited</li> <li>Global Solutions Private Limited</li> <li>TCNS Clothing Co. Private Limited</li> <li>NIIT USA Inc, USA</li> <li>NIIT Learning Solutions (Canada) Limited</li> <li>NIIT Technologies Inc, USA</li> </ul>
Membership/ Chairmanship of Committees of other Board as on March 31, 2017	<ul style="list-style-type: none"> <li>NIIT Technologies Limited (Listed Company):                             <ul style="list-style-type: none"> <li>- Member, Stakeholders Relationship Committee</li> <li>- Member, Audit Committee</li> </ul> </li> <li>NIIT Yuva Jyoti Limited :                             <ul style="list-style-type: none"> <li>Member, Audit Committee</li> </ul> </li> <li>MindChampion Learning Systems Limited:                             <ul style="list-style-type: none"> <li>Member, Audit Committee</li> </ul> </li> </ul>

\*Including 155000 equity shares with spouse as first holder, 1000 equity shares as second holder with spouse and 2527 equity shares as Karta of HUF.

### STATEMENT IN RESPECT OF SPECIAL BUSINESS (Pursuant to Section 102 of the Companies Act, 2013) ITEM NO.4

The Board had, at its Meeting held on July 26, 2016, on the recommendation of the Audit Committee, appointed Ramanath Iyer & Co., Cost Accountants as the Cost Auditor of the Company for the financial year 2016-17 at a remuneration of Rs. 286,225/- plus service tax and reimbursement of out of pocket expenses (if any).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ended March 31, 2017 by passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnels of the Company or their relatives are concerned, or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

## NOTICE (Contd.)

The Board recommends the Ordinary Resolutions for approval of the Members, as set out at item no. 4 of this Notice.

### ITEM NO. 5 & 6

In compliance of applicable provisions of the Companies Act, 2013 and Schedule and Rules thereto, the Members of the Company at their Annual General Meeting held on July 7, 2014, by passing the special resolution, had approved the remuneration payable by the Company to Mr. Vijay K Thadani, Vice Chairman & Managing Director and Mr. P. Rajendran, Joint Managing Director (Whole-time Directors) for a period of 5 years i.e. from April 1, 2014 up to March 31, 2019 alongwith remuneration payable by the Company to each of them as per Schedule V of the Companies Act 2013 in case of inadequacy of profits or no profits (minimum remuneration) in any financial year, for a period 3 years i.e. from April 1, 2014 up to March 31, 2017.

The Company, in terms of aforesaid special resolution, has been paying minimum remuneration to the Whole-time Directors up to permissible limit applicable to the Company as per Schedule V of the Companies Act 2013 during the last three financial years, due to inadequate profits or no profits on stand-alone financials basis.

In the case of inadequacy of profits or no profits in the Company in any financial year, the Company intends to pay remuneration upto such amount as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 (as amended/modified from time to time, for the time being in force) to each Whole-time Director, for their remaining period of tenure i.e. April 1, 2017 till March 31, 2019. Hence, it is proposed to obtain approval of Members by passing of Special Resolution. Nomination and Remuneration Committee and Board of Directors of the Company, had approved the aforesaid proposed remuneration at their meetings held on May 16, 2017 and May 17, 2017, respectively and recommended this to the Members for approval by passing Special Resolution.

The other Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is given below:

### I. GENERAL INFORMATION

1	Nature of Industry	Information Technology Services			
2	Date or expected date of commencement of commercial Production	Not Applicable			
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4	Financial performance based on given indicators	Particulars	(In Rs. Million)		
		Financial year	2016-17	2015-16	2014-15
		Total	4,088.20	4,218.66	3,854.68
		Revenue			
		Profit/(loss) Before Tax	(44.95)	6.64	(1,126.63)
		Profit/(loss) After Tax	(50.70)	1.09	(1,160.96)
5	Foreign investments or Collaborators, if any	<p>The Company has made investments in the following overseas subsidiaries:-</p> <ul style="list-style-type: none"> <li>NIIT Ltd, UK</li> <li>NIIT Antilles NV, Netherlands Antilles</li> <li>NIIT Malaysia Sdn. Bhd, Malaysia</li> <li>NIIT GC Ltd (formerly NIIT TVE Ltd, Mauritius), Mauritius</li> <li>NIIT China (Shanghai) Limited, Shanghai, China</li> <li>NIIT Wuxi Service Outstanding Training School</li> <li>NIIT Learning Solutions (Canada) Limited</li> <li>Chongqing NIIT Education Consulting Limited, China</li> <li>Wu Xi NIIT Information Technology Consulting Limited, China</li> <li>Changzhou NIIT Information Technology Consulting Limited, China</li> <li>Su Zhou NIIT Information Technology Consulting Limited, China</li> <li>NIIT (USA) Inc, USA</li> <li>PT NIIT Indonesia, Indonesia (Under Liquidation)</li> <li>NIIT West Africa Limited, Nigeria</li> <li>Qingdao NIIT Information Technology Co., Ltd., China</li> <li>Chongqing An Dao Education Consulting Limited, China</li> <li>Zhangjiagang NIIT Information Services Ltd., China</li> <li>Chengmai NIIT information Technology Co., Ltd., China</li> <li>NIIT (Ireland) Ltd, Ireland</li> <li>Dafeng NIIT Information technology Co., LTD</li> <li>Guizhou NIIT Information Technology Consulting Co., LTD</li> <li>NIIT (Guizhou) Education Technology Co., Ltd</li> </ul>			

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### II. INFORMATION ABOUT WHOLE TIME DIRECTORS

Particulars	Mr. Vijay K Thadani	Mr. P Rajendran
1. Background details	<p>Mr. Vijay K. Thadani is the Vice Chairman &amp; Managing Director of NIIT Ltd, a leading Global Skills and Talent Development Corporation. As the co-founder of NIIT Group, he has built an organization that is recognized for its visionary role in bringing the benefits of Information Technology, both as a professional skill and as a learning tool, to the masses.</p> <p>Vijay has led the Group's globalization efforts since 1991, taking the NIIT flag to over 40 countries and has been actively engaged with many Industry Associations. He served as President of the Indian IT industry association, MAIT and as the Chairman of CII Northern Region for 2011- 2012. He also served as the Chairman of the National Accreditation Board for Education and Training (NABET), under the aegis of the Quality Council of India and as the Chairman of Board of Governors of Indian Institute of Information Technology (IIIT), Allahabad.</p> <p>Vijay is the co-founder of the not-for-profit, NIIT University established in 2009 with a vision of being the role model of learning, research, innovation and sustainability for the Knowledge Society. He is a Founder Director on the Board of NIIT Technologies Limited, a leading SEI-CMMi Level 5 assessed IT Solutions organization, servicing customers in the USA, Europe, Japan, Asia Pacific and India. He chairs the Board of Governors of MN National Institute of Technology, Allahabad and serves on the Board of Governors of Indian Institute of Technology (IIT), Delhi. He co-chairs CII's National Committee on Higher Education and serves on the Governing Council of All India Management Association (AIMA).</p> <p>A 'Distinguished Alumnus' of the premier Indian Institute of Technology, Delhi, Vijay was honored with the position of 'Economic Consultant' to Chongqing, world's largest city in the People's Republic of China.</p>	<p>Mr. Parappil Rajendran, Joint Managing Director of NIIT Ltd., is a member of the core team that developed and brought the organization to its present position of global standing, since its inception in 1981.</p> <p>He received his degree in Electrical Engineering at Indian Institute of Technology Delhi, India in 1974 and joined KELTRON, a nascent electronic products company set up by Govt. of Kerala, where he worked for eight years. During this period he was involved in marketing, product management and sales of electronic industrial products. Later he moved into the domain of electronic automation and control of power stations.</p> <p>Mr. Rajendran also serves on the Board of Management of the not-for-profit NIIT University set up in Neemrana, Rajasthan with the vision of creating the University of the Future built on the foundation of Industry-linked, Technology-based, Research-driven and Seamless learning.</p> <p>He is also actively engaged with NIIT Foundation, which addresses the skilling and employability needs of youth from the underprivileged segments of the society.</p> <p>Mr. Rajendran has been associated with the apex industry association, Confederation of Indian Industry (CII) for over a decade.</p>
2. Past remuneration	<p>2016-17 : Rs. 15,563,937</p> <p>2015-16 : Rs. 15,620,558*</p> <p>2014-15 : Rs. 5,369,756</p> <p>*Includes salary arrears of previous year</p>	<p>2016-17 : Rs. 14,492,652</p> <p>2015-16 : Rs. 16,930,887*</p> <p>2014-15 : Rs. 20,530,086*</p> <p>*Includes salary arrears of previous year</p>

3. Recognition or Awards	<p>Under the leadership of Mr. Thadani, the Company has received many prestigious awards and accolades. Mr. Thadani has been conferred with:</p> <ul style="list-style-type: none"> <li>Bank of India Award for Excellence in Management 1999</li> <li>IIT Delhi Distinguished Alumnus award 1999</li> </ul>	<p>Under his leadership of Mr. Rajendran, the Company has received many awards in recognition of its innovative HR practices, including Ann Hewitt's Best Employers in India- 2011, 'Best Education Company to Work with' at Indian Education Awards 2011 and '4<sup>th</sup> Best Company to work for in India' by Great India to Work Institute 2013-14.</p>
4. Job profile and his suitability	<p>Mr. Vijay K Thadani being the Vice-Chairman &amp; Managing Director of the Company is responsible for leading NIIT's strategic alliance initiative, the technology partnership initiative and leveraging growth opportunities in addition to overseeing the Finance Legal and Secretarial, Investor Relations Services, all legal and the School functions and Global Learning Business.</p>	<p>Mr. P Rajendran being the Joint Managing Director of the Company assists the Managing Director in the management of operations of the Company and in addition, he provides oversight in Human Resources, Commercial Services, all legal and the School Learning Solutions Business.</p>
5. Remuneration proposed	<p>In case of inadequacy of profits or no profits in any financial year, the Company intends to pay remuneration within double the limit of yearly remuneration as permissible through a special resolution as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 (as amended/modified from time to time, for the time being in force) and hence it is proposed to obtain approval of members by passing of Special Resolution.</p>	<p>In case of inadequacy of profits or no profits in any financial year, the Company intends to pay remuneration within double the limit of yearly remuneration as permissible through a special resolution as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 (as amended/modified from time to time, for the time being in force) and hence it is proposed to obtain approval of members by passing of Special Resolution.</p>
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	<p>The remuneration payable to the Whole-time Directors has been benchmarked with the remuneration being drawn by similar positions in IT industry and has been considered by the Nomination and Remuneration Committee of the Company at its Meeting held on May 16, 2017.</p>	
7. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any	<p>The Whole-time Directors have no pecuniary relationship directly or indirectly with the Company except to the extent of their remuneration and shareholdings in the Company.</p>	

### III. OTHER INFORMATION

#### 1. Reasons of loss or inadequate profits:

The Company achieved an improved performance at the consolidated level in FY17. Overall, Net Revenue was up 18% and EBITDA increased by 7% during FY17

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over last year. This was driven by improved performance of international as well as domestic subsidiaries. However, the performance of the Company on standalone basis during FY17 was impacted due to headwinds in the IT sector, resulting in reduction in hiring of fresh graduates in this sector in India, and due to temporary disruption caused by demonetization during the second half of the year, which impacted consumer sentiment.

### 2. Steps taken or proposed to be taken for improvement:

The Company remains committed to generating superior returns for its stakeholders. While there were headwinds, which impacted business at the standalone company level, strong steps taken over the last two years helped the company to achieve positive growth as well as improved operating profit in the last two financial years. New initiatives launched in India, including StackRoute and DigiNxt have shown encouraging results. The Company's endeavour is to continue to focus on driving cloud based, online and IP based businesses so as to enable an improvement in performance and profitability of the Company on standalone basis. Specific initiatives have been taken to revitalize the large channel network of the Company in India.

### 3. Expected increase in productivity and profits in measurable terms:

The Company expects to improve revenue growth and profitability over the next few years. NIIT's corporate learning business continues to grow at a robust pace posting EBITDA double digit percentage. Also, strong steps taken in the Skills & Careers business have helped the business to return to growth and achieve positive margins. Given the large anticipated requirement for reskilling and digital skills, overall demand for training is expected to pick up. In addition, the temporary disruption in the business due to demonetization is not expected in the future and would help the Company achieve higher profits. The continuing efforts of the Company has resulted in improvement of its operating profit from Rs. 620 million in the financial year 2013-14 to Rs. 760 million 2016-17 and this positive trend is expected to continue.

## IV. DISCLOSURES

Disclosures as required, are provided in the Corporate Governance Report, forming part of the Board's Report of the Company for the year 2016-17.

Except Mr. Vijay K Thadani, Mr. P Rajendran and their relatives, none of the Directors and Key Managerial

Personnels of the Company and their relatives are concerned, or interested financially or otherwise in the resolutions set out at Item no. 5 & 6 of this Notice.

The Board recommends the Special Resolutions for approval of the Members, as set out at item no. 5 & 6 of this Notice.

### ITEM NO.7

The Company needs to have an optimum Board structure comprising Executive and Non-Executive (including Independent) Directors. Considering the fact that to have qualified Directors on the Board and their valuable business and professional advice and in view of nature of work and responsibilities entrusted upon Non-Executive Directors and also time devoted and the contribution made by them, it is proposed to pay the remuneration by way of commission, for an amount as may be decided by the Board of Directors/ Committee of Directors, from time to time, but not exceeding 1% (one percent) per annum of the net profit of the Company as provided under Section 197 of the Companies Act, 2013 or any amendments or modifications thereto. Such commission shall be divided amongst Non Executives Directors in such manner as the Board of Directors/Committee of Directors may from time to time determine and the same may be paid to Non-Executive Directors on a pro-rata basis every month or on an annual basis or partly monthly and partly on an annual basis as the Board of Directors/ Committee of Directors deem fit, subject to such necessary approval(s), consent(s) or permission(s), as may be required. The approval of shareholders is sought, for payment of remuneration by way of commission to Non-Executive Directors, for a period of 5 (five) financial years commencing from April 1, 2017.

Nomination and Remuneration Committee and Board of Directors of the Company, had approved the aforesaid proposed remuneration at their meetings held on May 16, 2017 and May 17, 2017, respectively subject to approval of the Members of the Company.

All the Non-Executive Directors may be deemed to be concerned or interested in this resolution. None of the Executive Directors, Key Managerial Personnel of the Company or their relatives are concerned, or interested financially or otherwise in the resolution set out at Item No. 7.

The Board recommends the Special Resolutions for approval of the Members, as set out at item no. 7 of this Notice.

## NOTICE (Contd.)

### ITEM NO.8

The Company had received a request letter dated January 19, 2017 from M/s. AKM Systems Private Limited (erstwhile Glad Investments Private Limited") which was then holding 3,846,962 equity shares constituting 2.32% of total paid up share capital, requesting for its reclassification from the category of "Promoters/ Promoter Group" to "Public" Category.

Accordingly, the Board of Directors of the Company considered the matter at its Meeting held on January 20, 2017 and subject to the approval of the shareholders of the Company, as well as approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authorities concerned (including the stock exchanges), approved the reclassification of M/s AKM Systems Private Limited (and its shareholding) from the category of "Promoters/ Promoter Group" to "Public" category.

The Company had submitted an application under Regulation 31A (2) and (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to BSE Limited and National Stock Exchange of India Limited on February 2, 2017. The Company was advised to obtain Members approval for the purpose of aforesaid reclassification. Hence approval of the Members is sought.

Pre-reclassification Shareholding Pattern as on March 31, 2017 and Post-reclassification Shareholding Pattern are as below:

#### [A] Pre-reclassification Shareholding Pattern

S. No.	Category of shareholding	Number of Equity Shares	% to total paid up share capital
1	Promoters	56,651,935	34.18
2	Public	109,097,951	65.82
<b>Total</b>		<b>165,749,886</b>	<b>100.00</b>

#### [B] Post-reclassification Shareholding Pattern

S. No.	Category of shareholding	Number of Equity Shares	% to total paid up share capital
1	Promoters	52,804,973	31.86
2	Public	112,944,913	68.14
<b>Total</b>		<b>165,749,886</b>	<b>100.00</b>

As on date, AKM Systems Private Limited holds 3,891,862 equity shares constituting 2.35% of total paid up share capital of the Company. Accordingly, there may be slight variation in the above Pre-reclassification Shareholding Pattern and Post-reclassification Shareholding Pattern.

Also the increase in the public shareholding pursuant to re-classification of the promoter shall not be counted towards compliance with minimum public shareholding requirements under Rule 19A of Securities Contracts (Regulation) Rules, 1957 and the provisions of Listing Regulations.

Copy of the request letter received from AKM Systems Private Limited for the proposed re-classification is available for inspection by the Members at the Registered office of the Company on all working days (i.e. except Saturdays, Sundays and Holidays) between 10:00 a.m. to 1:00 p.m., up to the date of the meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned, or interested financially or otherwise in the resolution set out at Item No. 8.

The Board recommends the Ordinary resolutions for approval of the Members, as set out at item no. 8 of this Notice.

By Order of the Board  
For NIIT Limited

Deepak Bansal

Company Secretary

Place: Gurugram

Date: May 17, 2017

Membership No. ACS 11579

## BOARD'S REPORT

Dear NIIT Shareowner,

Your Directors take pleasure in presenting the 34<sup>th</sup> Annual Report along with the Audited Financial Statement for the financial year ended March 31, 2017.

### Financial Highlights

The highlights of your Company's financial results for the financial year ("FY") April 1, 2016 to March 31, 2017 are as follows:

(Rs. Mn.)

Particulars	Consolidated		Standalone	
	FY 2016-17	FY 2015-16	FY 2016-17	FY 2015-16
Net Sales (Income from operations)	11,877	10,069	3,663	3,815
Other Income	125	76	435	404
Total Income	12,001	10,145	4,088	4,219
Total Expenditure	11,457	9,595	3,932	3,952
Profit before Depreciation and Taxes	544	550	156	267
Depreciation and Amortization	469	492	240	282
Exceptional Items (Net)	16	16	39	22
Net Tax Provision	42	37	6	6
Net Profit/(Loss) before share of Associates' Profit & Minority Interest	49	37	(51)	1
Share of Associates' Profit and Minority Interest	603	635	-	-
Net Profit/(Loss)	651	672	(51)	1
Basic EPS (Rs.)	3.93	4.07	(0.31)	0.01
Diluted EPS (Rs.)	3.89	4.01	(0.31)	0.01

During the year, your Company's consolidated total income was Rs.12,001 million as against Rs.10,145 million in the previous year and net profit (after share of associates' profit and minority interest) was Rs. 651 million as against Rs. 672 million in the previous year.

The Company's total income for the year under review on a standalone basis was Rs. 4,088 million as compared to Rs. 4,219 million in the previous year and net loss of Rs. 51 million as compared to net profit of Rs. 1 million in the previous year.

### Business Operations

Your Company continues to see a strong momentum in the Corporate Learning business. During the year, the Corporate Learning Group (CLG) achieved a growth of 35%. Excluding additional revenue from its strategic sourcing business, CLG witnessed strong growth of 18% in constant currency terms and adjusted EBITDA margin of 11%. Growth was driven by the increased demand for Managed Training Services (MTS) as global companies continued to move towards greater outsourcing of training. Revenue contribution from MTS to CLG revenue increased to 95% as compared to 90% in FY16. CLG added 4 new MTS customers during FY17 taking the number of global MTS customers to 34. CLG contributed 65% to the total consolidated revenue of NIIT.

Your Company had successfully turned around the Skills and Careers business in FY16 and expected to accelerate growth and margin improvement during FY17, driven by the Digital Renewal initiatives including DigiNxt and StackRoute. While these initiatives performed better than expected, a sharp decline in hiring by the IT Industry led to a sharper decline in old IT skills portfolio. The temporary impact of demonetization impacted growth during the year. Despite this, the SNC business achieved 74% improvement in EBITDA on a small base. This could be achieved due to improvement in business mix towards higher realization courses and a strong focus on cost optimization. Also, the business achieved robust growth in revenue from International markets and in B2B offerings in India.

Overall, the revenue achieved by the Skills & Careers business declined 3% year-on-year versus a growth of 1% in FY16. The business had a positive 3% EBITDA margin as compared to 2% EBITDA margin in FY16, an improvement of 123 basis points. The Skills & Careers business contributed 27% to NIIT's consolidated revenue.

In the School Learning Business, the Company continued its transformation and stayed away from capex-driven business models. While this continued to impact revenue, it helped improve its liquidity and capital efficiency. The focus for the School Learning Group (SLG) on growing the asset-light, IP-driven product offerings helped the go forward business grow 29% during the year which helped improve overall margins for schools business by 143% in FY17.

## BOARD'S REPORT (Contd.)

For the year, revenue from SLG declined 8% year-on-year due to the planned phasing out of the government school business. The business had 5% EBITDA margin for the year versus 2% in FY16, an improvement of 338 basis points. SLG contributed 8% to NIIT's revenues for FY17.

On an overall basis, NIIT achieved revenues of Rs. 11,877 million, a growth of 18% as compared to the previous Financial Year. The strong growth in Corporate Learning and turn around in Skills and Careers Business helped to overcome planned ramp down of revenue from government schools. EBITDA was Rs. 760 million as compared to Rs. 712 million last year.

### Future Plans

The Company continues to focus on an asset light, technology intensive and IP driven business opportunities. In the Corporate Learning Business, the trend of outsourcing to specialist training companies is expected to accelerate with increase in both number of companies deciding outsourcing and as well as scope of services that they outsource. Your Company has recently signed a large contract in Canada with Real Estate Council of Ontario (RECO). RECO has selected the Company as the Exclusive Designate to redesign, deliver, and maintain its flagship real estate education programs for professionals in the province of Ontario for a period of 5 years. Your Company continues to see large opportunities and is proactively investing in new capabilities to address these. The Company has started the current financial year with strong pipeline of MTS opportunities.

In the Skills and Careers Business, softness in hiring of IT graduates by the industry is expected to continue in the short term. However, the increasing trend of digitization across industries and disruption of traditional industries by start-ups is driving demand for Digital skills. NIIT program for Digital transformation of its portfolio of courses to align with increasing demand of such courses is ramping up and beginning to make up for decline in demand for old IT portfolio. In addition, in the medium to long term, your Company plans to transform training delivery from brick and mortar centers to a multimodal, multi-channel delivery modal involving a greater proportion of delivery online. Training.com is NIIT's new initiative launched in FY17, which will evolve into a 360 degree, multi-modal learning portal.

NIIT will continue to defocus capex driven business and exit capital intensive government schools business. The Company sees a large opportunity in the K-12 market

and plans to leverage existing operations in the schools to offer comprehensive managed services to schools as well as offer products and services to students outside school through digital channels.

### Dividend

Your Directors have not recommended any dividend for the year under review.

### Transfer to Reserves

Your Company has not transferred any sum to the General Reserve.

### Directors

As per the provisions of Section 152(6) of the Companies Act, 2013, Mr. Vijay K Thadani will retire by rotation in the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment, as a Director.

### Declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation).

### Meetings of the Board

During the year, seven (7) Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Act and Listing Regulations. For further details, please refer Corporate Governance Report forming part of this Annual Report.

### Subsidiary Companies

Pursuant to provisions of Section 129 (3) of the Act, a report on the performance and financial position of each of the Company's subsidiaries, associates and joint venture companies is provided in the prescribed Form AOC-1, at "Annexure A" forming part of this Report.

The Annual Financial Statements of the subsidiaries will be made available to the Members of the Company/ Subsidiary Companies seeking such information at any point of time. The Annual Financial Statements of the subsidiaries are also available for inspection for any Member, on all working days (i.e. except Saturdays, Sundays and holidays) between 10:00 a.m. to 1:00 p.m., at the Registered Office of the Company and subsidiary companies and the same can be accessed from the website of the Company i.e. [www.niit.com](http://www.niit.com).

## BOARD'S REPORT (Contd.)

### Consolidated Financial Statement

In compliance with Regulation 33 of the Listing Regulations and Section 129(3) of the Act read with the relevant rules made thereunder, the Consolidated Financial Statement are prepared in accordance with the Accounting Standard (AS) - 21 on Consolidated Financial Statements, AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures. The Consolidated Financial Statements together with Auditors' Report thereon form part of the Annual Report.

Pursuant to provisions of Section 136 of the Act, the audited financial Statement of the Company (standalone and consolidated) alongwith relevant documents are available on the website of the Company. The same are also available for inspection at the registered office of the Company.

### Material changes and commitments, if any, affecting the financial position of the Company

No material change and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e., March 31, 2017 and the date of the Board's Report i.e. May 17, 2017.

### Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) read with 134(5) of the Act, the Directors of your Company hereby state and confirm:

- a) that in the preparation of the Annual Accounts, the applicable Accounting Standards were followed along with proper explanation relating to material departures;
- b) that the directors 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 and loss of the Company for that period;
- c) that the directors had taken proper and sufficient care 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;

- d) that the directors had prepared the Annual Accounts on a going concern basis;
- e) that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Auditors

Pursuant to the provisions of sections 139 and other applicable provisions of the Act and the Companies (Audit and Auditors) Rules, 2014, Price Waterhouse, Chartered Accountants, (FRN301112E) ("PWC") were appointed by the Members as Statutory Auditors of the Company for three years from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting of the Company subject to ratification of the appointment at every Annual General Meeting, as PWC has already served for more than 10 years before the notification of the Companies Act, 2013 and applicable Rules therein. The term of Price Waterhouse, Chartered Accountants as Statutory Auditors shall expire at the conclusion of this 34<sup>th</sup> Annual General Meeting of the Company.

The Board of Directors, based on the evaluation criteria, as well as the eligibility & consent letter, has recommended the appointment of M/s S R Batliboi & Associates LLP, Chartered Accountants, Gurgaon (FRN 101049W/E300004) as Statutory Auditor of the Company for a period of five (5) years from the conclusion of ensuing 34<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting. Further, this appointment shall be subject to ratification at each Annual General Meeting held after 34<sup>th</sup> Annual General Meeting.

### Auditors' Report

The Auditors' Report to the Shareholders does not contain any qualification, reservation or adverse remarks. The notes on financial Statement referred to in the Auditors' Report are self-explanatory and do not require any further comments.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act. Hence, no detail is required to be disclosed under Section 134(3)(ca) of the said Act.

## BOARD'S REPORT (Contd.)

### Secretarial Auditors

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Nityanand Singh & Co., Company Secretaries, New Delhi as Secretarial Auditors to conduct secretarial audit of the Company for the financial year 2016-17. The Secretarial Audit Report is annexed herewith as "**Annexure- B**". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### Cost Auditors

In terms of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s Ramanath Iyer and Co., Cost Accountants, New Delhi, as Cost Auditors of the Company, to carry out the cost audit for the financial year 2016-17. The ratification of remuneration payable to Cost Auditors is being sought from the Members of the Company at the ensuing AGM.

### Corporate Governance Report

Your Company has complied with all the mandatory requirements relating to Corporate Governance as stipulated in Para C of Schedule V of Listing Regulation. Corporate Governance Report is given as a separate section and forms a part of this Report. The Certificate from the Practicing Company Secretary confirming the compliance to the conditions of the Corporate Governance stipulated in Para E of Schedule V of Listing Regulations is annexed to the Corporate Governance Report.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report as prescribed under Regulation 34(2)(e) read with Para B of Schedule V of the Listing Regulation, is provided as a separate section and forms a part of this Report.

### Related Party Transactions

All related party transactions entered into by the Company during the year are in the ordinary course of business and on an arm's length basis. There is no materially significant related party transaction made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a Related Party Transactions Policy for identifying, reviewing and approving transactions between the Company and Related Parties, in compliance with the applicable provisions of the Listing Regulation, the Act and Rules thereunder.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) read with Section 188 of the Act, in Form AOC 2 is annexed here with as "**Annexure D**". All Related Party Transactions are approved by the Audit Committee and are also approved by the Board as a good Corporate Governance.

### Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statement.

### Adequacy of Internal Financial Controls

A detailed note on Internal Financial Controls system and its adequacy has been given in Management Discussion and Analysis Report, forming part of this Report. The Company has designed and implemented a process driven framework for internal financial controls within the meaning of explanation to section 134(5)(e) of the Act. For the year ended March 31, 2017, the Board is of the opinion that the Company has sound Internal Financial controls commensurate with the nature and size of its business operations, wherein controls are in place and operating effectively and no material weaknesses exist.

### Corporate Social Responsibility (CSR)

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a Corporate Social Responsibility (CSR) Committee. The details of the Committee and its meetings are mentioned in the Corporate Governance Report, forming part of this Report. The CSR Policy of the Company is available on the website of the Company. The Report on CSR activities is given in "**Annexure C**" forming part of this Report, which was approved by the Committee on May 14, 2017.

### Statutory Committees

Details of the Committees of the Board viz Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee constituted in

## BOARD'S REPORT (Contd.)

compliance of the provisions of the Act and Listing Regulations are provided in the Corporate Governance Report, forming part of this Report.

### Statutory Policies

In compliance of the various provisions of the Act and Listing Regulation, the Company has following policies:

- Policy on materiality of and dealing with related party transactions
- Policy for determining material subsidiaries of the company
- Policy on determination of material/ price sensitive information
- Corporate Social Responsibility Policy
- Whistle Blower Policy
- Remuneration Policy
- Archival Policy

The Company has a Policy on "Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". There was no incident to report during the year.

### Information relating to Conservation of Energy, Technology Absorption, Research and Development, Exports, Foreign Exchange Earnings and Outgo.

#### a) Conservation of energy

Although the operations of the Company are not energy intensive, the management has been highly conscious of the criticality of conservation of energy at all the operational levels and efforts are made in this direction on a continuous basis. Adequate measures have been taken to reduce energy consumption whenever possible by using energy efficient equipment. The requirement of disclosure of particulars with respect to conservation of energy as prescribed in Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is not applicable to the Company and hence not provided.

#### b) Technology absorption

Your Company believes that in addition to progressive thought, it is imperative to invest in research and development to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the

best, your Company has entered into alliances / tie-ups with major global players in the Information Technology industry to harness and tap the latest and the best of technology in its field, upgrade itself in line with the latest technology in the world and deploy /absorb technology wherever feasible, relevant and appropriate.

#### c) Research and Development

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature and size of operations of your Company.

#### d) Foreign exchange earnings and outgo

##### (i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

The Company exports customized learning content to its overseas clients to meet their varying learning needs. The Company develops content in a range of subjects for widely varied audience. The Company will continue to strengthen its presence in USA, Europe, China, Africa, South East Asia etc. with a view to increase exports.

##### (ii) Total foreign exchange earned and used

The details of foreign exchange earnings and outgo are mentioned in Notes Nos. 33 to 34 contained in the Notes forming part of the Financial Statement (standalone) for the financial year ended March 31, 2017.

#### Extract of Annual Return

An extract of the Annual Return in form MGT-9, pursuant to the provisions of Section 92(3) of the Act, is annexed herewith as "Annexure E" and forms part of the Report.

#### Public Deposits

In terms of the provisions of Section 73 to 76 of the Act read with the relevant rules made thereunder, your Company has not accepted any deposits from the public.

#### Share Capital

During the year, the Company has allotted 248,653 equity shares on the exercise of stock options under the NIIT Employee Stock Option Scheme - 2005.

## BOARD'S REPORT (Contd.)

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

### Key Managerial Personnel

As on March 31, 2017, following officials were the 'Key Managerial Personnel' of the Company under the Act:

- Mr. Vijay K Thadani – Vice Chairman & Managing Director
- Mr. P Rajendran – Joint Managing Director
- Mr. Rahul Keshav Patwardhan – Chief Executive Officer
- Mr. Amit Roy – Chief Financial Officer
- Mr. Deepak Bansal – Company Secretary

During the year under review:

- Ms. Arpita B Malhotra resigned as Company Secretary of the Company w.e.f. close of business hours on July 25, 2016 and Mr. Deepak Bansal was appointed as the Company Secretary of the Company w.e.f. July 26, 2016.
- Mr. Rohit Kumar Gupta resigned as Chief Financial Officer of the Company w.e.f. close of the business hours on February 28, 2017 and Mr. Amit Roy was appointed as the Chief Financial Officer of the Company w.e.f. March 1, 2017.

After the end of the financial year 2016-17, Chief Executive Officer of the Company, Mr. Rahul Keshav Patwardhan, had tendered his resignation on April 7, 2017 due to compelling family reasons and requested to be relieved from the close of business hours of July 31, 2017. Further the Board of Directors had approved the appointment of Mr. Sapnesh Lalla as Chief Executive Officer Designate of the Company from April 7, 2017 and as Chief Executive Officer of the Company with effect from August 1, 2017.

### Scheme of Arrangement

During the year under review, the Board of Directors had, at its meeting held on March 24, 2017, approved a Scheme of Amalgamation for merger of PIPL Management Consultancy and Investment Private Limited and Global Consultancy and Investment Private Limited (part of Promoter/Promoter Group) with the Company subject to approval of National Company Law Tribunal in accordance with the provisions of Sections 230-232 and any other applicable provisions,

if any of the Act and other regulatory approvals.

### Board Evaluation

Pursuant to the provisions of the Act and SEBI (Listing Obligation and Disclosure Requirements Regulation), the Board has carried out the annual performance evaluation of its own performance, the Directors individually (including Chairman of the Board) as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee. A structured evaluation form was administered after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board 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 Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, effective participation in Board / Committee Meetings, independence of judgment, safeguarding the interest of the Company and its minority shareholders, providing expert advice to Board and contributing in deliberations while approving related party transactions.

### Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed the Nomination and Remuneration Policy, as stated in the Corporate Governance Report.

### Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of section 177(9) & (10) of the Act and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, a Vigil Mechanism for Directors and employees to report genuine concerns has been established by the Company as stated in the Corporate Governance Report.

### Particulars of Employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Act read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as

## BOARD'S REPORT (Contd.)

"Annexure F" to this Report.

### **Details of significant and material orders passed by the regulators, courts, tribunals**

During the year under review, no significant or material order was passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

### **Human Resources and Employee Stock Option Scheme**

NIITians are the key resource for your Company. Your Company continued to have a favourable work environment that encourages innovation and meritocracy at all levels. A detailed note on human resources is given in Management Discussion & Analysis Report. Employee relations remained cordial at all the locations of the Company.

### **Issue of Employee Stock Options**

The Company had established Employee Stock Option Scheme – 2005 (ESOP 2005) with the objective of attracting and motivating employees by rewarding performance and retaining the best talent. The aim is to develop a sense of ownership among the employees within the organization and to align your Company's stock option scheme with the best practice in the industry. The Nomination and Remuneration Committee has granted 320,000 Employee Stock Options (Grant #XVI) at Rs. 83.30 per option/share in June 2016 and 140,000 Employee Stock Options (Grant #XVII) at Rs. 73.60 per option/share in February 2017 to the eligible employees under ESOP-2005.

Disclosure with respect to the Employee Stock Option Scheme, pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, is annexed herewith as "Annexure G" and forms part of the Report.

### **Acknowledgement**

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

**Rajendra S Pawar**

Chairman

Place : Gurugram

Date : May 17, 2017

DIN: 00042516

## STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES &amp; ASSOCIATES

[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 – AOC-1]  
PART A - SUBSIDIARIES

(Amount in Rs. Million except % of share holding)

S. No.	Name of the Subsidiary Company	Currency *	Exchange Rate	Financial Year ended	Share Capital	Reserves [Refer Note 2 below]	Total Assets	Total Liabilities	Details of Investment [Except in case of Investment in Subsidiary]	Turnover [Refer Note 3 below]	Profit/ (Loss) Before Taxation	Provision for Tax/ Deferred tax charge/ (credit)	Profit/ (Loss) after Taxation	Dividend Proposed / Paid	% of Share holding
1	Mindchampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall Education Limited)	INR	1 INR = 1 INR	March 31, 2017	190.64	(539.29)	970.11	1,318.76	-	981.49	53.33	-	53.33	-	100
2	NIIT Institute of Finance Banking and Insurance Training Limited	INR	1 INR = 1 INR	March 31, 2017	101.13	13.67	138.43	23.63	-	157.77	54.36	6.97	47.39	-	80.72
3	NIIT Institute of Process Excellence Limited	INR	1 INR = 1 INR	March 31, 2017	220.00	(2.58)	244.05	26.63	-	195.87	48.08	4.93	43.15	-	75
4	NIIT Yuva Jyoti Limited	INR	1 INR = 1 INR	March 31, 2017	231.32	(402.15)	211.56	382.39	-	108.39	(41.57)	-	(41.57)	-	100
5	NIIT (USA) Inc., USA	USD	1 USD = 64.8589 INR	March 31, 2017	530.71	258.37	1,794.96	1,005.88	-	3,374.03	33.73	(31.80)	65.53	-	100
6	NIIT Antilles NV, Netherlands Antilles	USD	1 USD = 64.8589 INR	March 31, 2017	2,044.72	(1,766.52)	311.58	33.38	-	83.50	(2.59)	-	(2.59)	-	100
7	NIIT GC Limited, Mauritius	USD	1 USD = 64.8589 INR	March 31, 2017	118.70	(101.75)	31.24	14.29	-	-	(2.56)	6.79	(9.35)	-	100
8	NIIT Limited, U.K.	GBP	1 GBP = 81.2948 INR	March 31, 2017	12.65	(0.55)	1,370.41	1,358.31	-	3,305.23	4.97	8.17	(3.20)	-	100
9	PT NIIT Indonesia, Indonesia	IDR	1 IDR = 0.0049 INR	March 31, 2017	7.56	(7.56)	-	-	-	-	-	-	-	-	100
10	NIIT Malaysia Sdn Bhd, Malaysia	MYR	1 MYR = 14.6504 INR	March 31, 2017	71.10	(5.49)	94.23	28.62	-	82.88	22.14	0.73	21.41	-	100
11	NIIT West Africa Limited	NGN	1 NGN = 0.2049 INR	March 31, 2017	3.32	(40.33)	59.88	96.89	-	37.13	(25.83)	(0.03)	(25.80)	-	100
12	NIIT Ireland Limited	EUR	1 EUR = 69.3840 INR	March 31, 2017	10.97	18.99	275.00	245.04	-	397.10	29.17	3.40	25.77	-	100
13	NIIT Learning Solutions Canada Limited	CAD	1 CAD = 48.6925 INR	March 31, 2017	0.01	(13.63)	50.21	63.83	-	90.33	(14.23)	-	(14.23)	-	100
14	NIIT China (Shanghai) Limited, Shanghai	CNY	1 CNY = 9.4153 INR	March 31, 2017	30.59	40.26	298.57	227.72	-	445.25	74.90	27.43	47.47	-	100
15	NIIT Wuxi Service Outsourcing Training School	CNY	1 CNY = 9.4153 INR	March 31, 2017	4.50	17.25	39.87	18.12	-	95.20	(32.47)	(1.54)	(30.93)	-	60
16	Chongqing NIIT Education Consulting Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	5.39	(1.57)	11.85	8.03	-	55.89	12.56	-	12.56	-	60
17	Wuxi NIIT Information Technology Consulting Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	5.73	1.12	6.87	0.02	-	0.02	(0.01)	-	(0.01)	-	60
18	Chengzhou NIIT Information Technology Consulting Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	3.43	8.70	17.46	5.33	-	28.54	0.06	(0.37)	0.43	-	60
19	Su Zhou NIIT Information Technology Consulting Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	3.44	22.67	33.60	7.49	-	60.45	8.08	3.37	4.71	-	60
20	Qingdao NIIT Information Technology Company Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	13.13	(15.12)	2.78	4.77	-	-	(1.85)	(0.11)	(1.74)	-	100
21	Chongqing An Dao Education Consulting Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	4.38	2.12	29.34	22.84	-	36.76	(0.17)	(0.23)	0.06	-	65
22	Zhangjiagang NIIT Information Services Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	4.31	8.64	17.23	4.28	-	9.84	(0.41)	1.17	(1.58)	-	60
23	Chengmai NIIT Information Technology Company Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	4.39	0.68	6.94	1.87	-	12.26	(2.33)	(0.50)	(1.83)	-	100
24	Dafeng NIIT Information Technology Company Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	-	0.02	0.02	-	-	-	(1.15)	(0.27)	(0.88)	-	60
25	Guizhou NIIT Information Technology Consulting Company Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	30.80	(5.91)	73.18	48.29	-	18.78	(2.50)	1.05	(3.55)	-	100
26	NIIT (Guizhou) Education Technology Company Limited	CNY	1 CNY = 9.4153 INR	March 31, 2017	-	21.89	29.22	7.33	-	32.08	30.12	7.53	22.59	-	100

\* Local currency of the respective entity in which financials are made.

Notes: 1. Amount in foreign currency in the Financial Statement of the subsidiaries mentioned above have been converted in Indian Rupee equivalent as per the generally accepted accounting principles in India.

2. Reserves include Currency Translation Reserve.

3. Turnover does not include Other Income.

## STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES & ASSOCIATES

ANNEXURE 'A' (Contd.)

### PART B - ASSOCIATES

S. No.	Name of Associates	Latest Audited Balance Sheet Date	Shares of Associate held by the company on the year end		Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year
			No. of shares	Amount of Investment in Associates (Rs. Million)			(Rs. Million)	
1	NIIT Technologies Limited	March 31, 2017	14,493,480	5,186.90	NIIT Limited holds more than 20%	NA	3,935.06	623.08
								Not considered in consolidation
								(Rs. Million)
								NA

For and on behalf of the Board

**Rajendra S Pawar**  
Chairman  
DIN – 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

Place: Gurugram  
Date: May 17, 2017

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017**

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NIIT 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 my opinion thereon.

Based on our verification of NIIT 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 for the year ended on March 31, 2017, 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 March 31, 2017, in accordance to the provisions of:

- I. The Companies Act, 2013 ("**the Act**") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
  - 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, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. 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;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009.

VI. Other Laws which are applicable to the Company:

- The Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
- The Employees State Insurance Act, 1948.
- The Payment of Gratuity Act, 1972.
- The Labour Laws, Law relating to Payment of Wages and Laws relating to conditions of Service and employment.
- Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013.
- Direct and Indirect Taxes – Income Tax Act, 1961, Service Tax, Customs Act, Value Added Tax Act, Sales Tax.
- Miscellaneous Act:
  - a) Information Technology Act, 2000
  - b) Indian Contract Act, 1965
  - c) Limitation Act, 1963
  - d) Indian Evidence Act, 1872
  - e) Negotiable Instrument Act, 1881
  - f) Trade Mark Act, 1999
  - g) Copyright Act, 1957
  - h) Patent Act, 1970
  - i) The Environment (Protection) Act, 1986
  - j) The Consumer Protection Act, 1986

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

- i) The Secretarial Standards formulated by The Institute of Company Secretaries of India and notified by Central Government.
- ii) The Listing Agreements entered into by the Company with the National Stock Exchange and BSE Limited.
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following:-

1. Secretarial Standard-1 and Secretarial Standard -2 as issued and notified by the Institute of Company Secretaries of India. Secretarial Standard -3 to 10 are yet to be notified, hence same are not applicable to the Company.

**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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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:

- 1) The Company has acquired the entire undertaking(s) of Perceptron Learning Solutions Private Limited together with the assets and liabilities of such undertaking(s) and its employees, as a going concern, by way of slump sale.
- 2) The Company has entered into a Share Purchase Agreement on 12<sup>th</sup> December, 2016, inter alia, with National Skill Development Corporation ("NSDC"), in terms of which Company has agreed to acquire 23,13,240 equity shares of NIIT Yuva Jyoti Limited ("NYJL") having face value of Rs. 10/- (Rupees Ten Only) each constituting 10% of the aggregate issued and paid-up share capital of NYJL from NSDC for an aggregate cash consideration of Rs. 28,508,139/-.
- 3) A Scheme of Amalgamation under the provisions of section 230 and 232 of the Companies Act, 2013 between NIIT Limited, PIPL Management Consultancy and Investment Private Limited and Global Consultancy and Investment Private Limited and their respective shareholders and creditors was approved by the Board of Directors of the Company on 24th March, 2017.
- 4) During the year, The Company has allotted 248,653 Equity Shares of Rs. 2/- each under the NIIT ESOS "ESOP-2005" Scheme.

We also report that the compliances of other applicable laws, as listed in Para (VI) above, are based on the Management Certifications.

**For Nityanand Singh & Co.,**  
**Company Secretaries**

Nityanand Singh (Prop.)  
FCS No.: 2668/ CP No. : 2388

Place: New Delhi  
Date: 17th May, 2017

**Note:**

This report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.

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

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Nityanand Singh & Co.,**  
**Company Secretaries**

**Nityanand Singh (Prop.)**  
**FCS No.: 2668/ CP No. : 2388**  
**Place: New Delhi**  
**Date: 17<sup>th</sup> May, 2017**

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **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.**

This CSR policy ("Policy") spells out NIIT'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, programs and activities forming part of NIIT's CSR.

The CSR Policy is displayed on the website of the Company at <http://www.niit.com/authoring/Documents/Other%20Disclosures/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>

2. **Composition of the CSR Committee:**

- i) Mr. Surendra Singh - Chairperson
- ii) Mr. Rajendra S Pawar
- iii) Mr. Vijay K Thadani
- iv) Mr. Anand Sudarshan

3. **Average net profit/ loss of the Company for last three Financial Years: Net Loss of Rs. 173.51 million**

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above): NA**

5. **Details of CSR expenditure for the Financial Year:**

- a) Total amount 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:

S. No.	Project/ Activities	Sector	Location	Amount outlay (budget)project Or programs wise (in Rs.)	Amount spent on the projects or programs (in Rs.)	Cumulative expenditure up to the reporting period (in Rs.)	Amount spent Direct or through implementing agency
NA							

6. The Implementation and monitoring of CSR Policy, in in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board

**Surendra Singh**  
Chairman

Place: Gurugram

Date: May 17, 2017

### FORM NO. AOC2

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, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Nil					

For and on behalf of the Board

Place: Gurugram  
Date: May 17, 2017

**Rajendra S Pawar**  
Chairman  
DIN: 00042516

### FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[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	:	L74899DL1981PLC015865
ii) Registration Date	:	02-12-1981
iii) Name of the Company	:	NIIT Limited
iv) Category / Sub-Category of the Company	:	Company Limited by Shares
v) Address of the registered office and contact details	:	8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110 019 Tel Nos.: +91 11 4167 5000
vi) Whether listed company	:	Yes
vii) Name, Address and contact details of Registrar and Transfer Agent, if any	:	Alankit Assignments Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi – 110 055 Tel Nos. : +91 11 4254 1234,2354 1234

#### 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:-

Sl. No.	Name and Description of main products / Services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of Training Services	854	79.35%
2	Sale of courseware and training material	854	20.65%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	MindChampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110019	U72200DL2001PLC111674	Subsidiary	100	2(87)(ii)
2	NIIT Institute of Finance Banking and Insurance Training Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110019	U80903DL2006PLC149721	Subsidiary	80.72	2(87)(ii)
3	NIIT Institute of Process Excellence Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110019	U72300DL2008PLC176254	Subsidiary	75	2(87)(ii)
4	NIIT Yuva Jyoti Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110019	U80904DL2011PLC219784	Subsidiary	100	2(87)(ii)
5	NIIT (USA) Inc., USA 1050, Crown Pointe Parkway, Suite 300, 3rd Floor, Atlanta GA 30338, USA	NA	Subsidiary	100	2(87)(ii)
6	PT NIIT Indonesia, Indonesia PT. Mercator Services Indonesia, Gedung Wisma Udaya, Jl. Danau Sunter Selatan, Blok IV No.35, Jakarta Utara 14340	NA	Subsidiary	100	2(87)(ii)

7	NIIT Antilles NV, Netherlands, Antilles Landhuis Joonchi Kaya Richard J. Beaujon Z/N P.O. Box 837, Curacao Netherlands Antilles	NA	Subsidiary	100	2(87)(ii)
8	NIIT Malaysia Sdn Bhd, Malaysia 6th Floor, Plaza See Hoy Chan, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	NA	Subsidiary	100	2(87)(ii)
9	NIIT GC Limited, Mauritius C/o Abax Corporate Services Ltd., 6th Floor, Tower A, 1 Cyber City, Ebène Republic of Mauritius	NA	Subsidiary	100	2(87)(ii)
10	NIIT China (Shanghai) Limited, Shanghai 22301-660, 14 Building, Pudong software Park, House No.498, Guo ShouJin Road, Zhang Jiang Hi-tech Park, Shanghai -201203, PRC	NA	Subsidiary	100	2(87)(ii)
11	NIIT Wuxi Service Outsourcing Training School 18 Zheng Ze Road, Building of Cancer Part, National(Wuxi) Software IT Part, Wuxi City, PRC	NA	Subsidiary	60	2(87)(ii)
12	NIIT Limited, UK 100 New Bridge Street London EC4V 6JA	NA	Subsidiary	100	2(87)(ii)
13	Chongqing NIIT Education Consulting Limited 8th Floor, A Block, SOHO Building, Xi yong Micro-electrics industrial Park	NA	Subsidiary	60	2(87)(ii)
14	Wuxi NIIT Information Technology Consulting Limited 18 Zheng Ze Road, Room 201-8, B Building of Sagittarius Part, National(Wuxi) Software Part. Wuxi City P.R.C	NA	Subsidiary	60	2(87)(ii)
15	Changzhou NIIT Information Technology Consulting Limited 801 Changwu Middle Road, 5 Building of Modern Industry Centre, Changzhou CSET. Changzhou City, PRC	NA	Subsidiary	60	2(87)(ii)
16	Su Zhou NIIT Information Technology Consulting Limited No.78, Keling Rd, high-tech new district, Suzhou, PRC	NA	Subsidiary	60	2(87)(ii)
17	NIIT West Africa Limited 29, Ogunlowo Street, Off Obafemi Awolowo Way, Ikeja, Lagos, Nigeria	NA	Subsidiary	100	2(87)(ii)
18	Qingdao NIIT Information Technology Company Limited No.122, Hongshiya Neighborhood Committees, Hongshiya Subdistrict office, Qingdao ETDZ	NA	Subsidiary	100	2(87)(ii)
19	Chongqing An Dao Education Consulting Limited No.2, Floor 5, Block B, Neptune Building, Star street 62, Northern New Area district, Chongqing	NA	Subsidiary	65	2(87)(ii)
20	Zhangjia gang NIIT Information Services Limited 3rd Floor, G Block, Sha Zhou Professional Institute of Technology, Zhangjiagang City, Jiangsu Province	NA	Subsidiary	60	2(87)(ii)
21	Chengmai NIIT Information Technology Company Limited Hainan Resort Software Community, High-tech demonstration zone of the Old Town, Hainan Province	NA	Subsidiary	100	2(87)(ii)
22	NIIT (Ireland) Ltd., 6th floor, 2 Grand Canal Square, Dublin 2	NA	Subsidiary	100	2(87)(ii)
23	Dafeng NIIT Information Technology Co. Ltd., Dafeng City High-Tech Zone No.51, Jiangsu Province, Prc	NA	Subsidiary	60	2(87)(ii)
24	Guizhou NIIT Information Technology Consulting Co. Ltd. Gui'an New Area High end equipment manufacturing Industrial Park-(South Park) Guizhou Province, PRC	NA	Subsidiary	100	2(87)(ii)
25	NIIT Learning Solutions (Canada) Ltd 1200, Waterfront Center, 200, Burrard Street, Vancouver, BC V6C 3L6	NA	Subsidiary	100	2(87)(ii)
26	NIIT Technologies Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	L65993DL1992PLC048753	Associate	23.62	2(6)
27	NIIT (Guizhou) Education Technology Co. limited Auxiliary Room No. B407, Standard Factory Building, Jinyang Science & Technology Industrial Park, Guiyang National Hi-tech Zone, Guiyang National Hi-tech Industrial Development Zone, Guiyang City, Guizhou Province.	NA	Subsidiary	100	2(87)(ii)

### IV. SHAREHOLDING 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual/HUF	1,522,614	0	1,522,614	0.92	1,522,614	-	1,522,614	0.92	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0	0
c. State Govt.	0	0	0	0.00	0	0	0	0	0
d. Bodies Corp.	54,950,721	0	54,950,721	33.20	55,129,321	-	55,129,321	33.26	0.06
e. Bank/ FI	0	0	0	0.00					
f. Any Other	0	0	0	0.00					
<b>Sub-Total - A (1)</b>	<b>56,473,335</b>	<b>0</b>	<b>56,473,335</b>	<b>34.12</b>	<b>56,651,935</b>	<b>-</b>	<b>56,651,935</b>	<b>34.18</b>	<b>0.06</b>
<b>(2) Foreign</b>	0	0	0	0.00	0	0	0	0	0
a. NRI-Individuals	0	0	0	0.00	0	0	0	0	0
b. Other Individuals	0	0	0	0.00	0	0	0	0	0
c. Body Corporate	0	0	0	0.00	0	0	0	0	0
d. Bank/ FI	0	0	0	0.00	0	0	0	0	0
e. Any Others	0	0	0	0.00	0	0	0	0	0
<b>Sub-total - A (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoters (A)=A(1)+A(2)</b>	<b>56,473,335</b>	<b>0</b>	<b>56,473,335</b>	<b>34.12</b>	<b>56,651,935</b>	<b>-</b>	<b>56,651,935</b>	<b>34.18</b>	<b>0.06</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	19,532,754	2,053	19,534,807	11.80	15,271,397	2,053	15,273,450	9.21	-2.59
b. Bank/ FI	1,380,772	0	1,380,772	0.83	296,278	562	296,840	0.18	-0.66
c. Central Govt.	15,000	0	15,000	0.01	15,000	-	15,000	0.01	0.00
d. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Co.	502,627	0	502,627	0.30	502,627	-	502,627	0.30	0.00
g. FIs	8,684,925	14,608	8,699,533	5.26	42,210	14,608	56,818	0.03	-5.22
h. Foreign Portfolio Corporate	8,686,327	0	8,686,327	5.25	21,409,964	-	21,409,964	12.92	7.67
i. Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
j. Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total - B (1)</b>	<b>38,802,405</b>	<b>16,661</b>	<b>38,819,066</b>	<b>23.46</b>	<b>37,537,476</b>	<b>17,223</b>	<b>37,554,699</b>	<b>22.66</b>	<b>-0.80</b>
<b>2. Non- Institutions</b>									
a. Body Corp. (Indian)	13,747,913	13,955	13,761,868	8.32	18,155,928	13,955	18,169,883	10.96	2.65
b. Individual									
i. Individual Shareholder holding nominal share capital upto Rs.1 Lakh	36,098,205	775,706	36,873,911	22.28	34,024,157	744,502	34,768,659	20.98	-1.30
ii. Individual Shareholder holding nominal share capital in excess of Rs.1 Lakh	12,264,753	0	12,264,753	7.41	11,309,357	-	11,309,357	6.82	-0.59
c. Others									
(i) NBFC Regd with RBI	211,492	0	211,492	0.13	130,225	-	130,225	0.08	-0.05
(ii) NRI (Rep)	2,588,812	92,457	2,681,269	1.62	2,339,212	92,457	2,431,669	1.47	-0.15
(iii) NRI (Non-Rep)	1,137,773	3,530	1,141,303	0.69	1,039,253	-	1,039,253	0.63	-0.06
(iv) Foreign National	22,500	0	22,500	0.01	25,000	-	25,000	0.02	0.00
(v) OCB	0	0	0	0.00	-	-	-	0.00	0.00
(vi) Trust	3,251,736	0	3,251,736	1.96	3,669,206	-	3,669,206	2.21	0.25
<b>Sub-Total - (B)(2)</b>	<b>69,323,184</b>	<b>885,648</b>	<b>70,208,832</b>	<b>42.42</b>					
<b>Total Public Shareholding (B)=B(1)+B(2)</b>	<b>108,125,589</b>	<b>902,309</b>	<b>109,027,898</b>	<b>65.88</b>	<b>70,692,338</b>	<b>850,914</b>	<b>71,543,252</b>	<b>43.16</b>	<b>0.74</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	108,229,814	868,137	109,097,951	65.82	-0.06
<b>Grand Total (A+B+C)</b>	<b>164,598,924</b>	<b>902,309</b>	<b>165,501,233</b>	<b>100.00</b>	<b>164,881,749</b>	<b>868,137</b>	<b>165,749,886</b>	<b>100.00</b>	<b>0.00</b>

### (ii) Shareholding of Promoters

Sl. 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	155,000	0.09	0	155,000	0.09	0	0.00
2	Neeti Pawar & Rajendra Singh Pawar	427,326	0.26	0	427,326	0.26	0	0.00
3	Urvashi Pawar	56,250	0.03	0	56,250	0.03	0	0.00
4	Unnati Pawar	56,242	0.03	0	56,242	0.03	0	0.00
5	Udai Pawar	7,500	0.00	0	7,500	0.00	0	0.00
6	R S Pawar HUF	2,527	0.00	0	2,527	0.00	0	0.00
7	Vijay Kumar Thadani & Renuka Vijay Thadani	155,000	0.09	0	155,000	0.09	0	0.00
8	Renuka Vijay Thadani & Vijay Kumar Thadani	1,000	0.00	0	1,000	0.00	0	0.00
9	V K Thadani HUF	2,527	0.00	0	2,527	0.00	0	0.00
10	Arvind Thakur	659,242	0.40	0	659,242	0.40	0	0.00
11	Pace Industries Private Limited*	25,366,521	15.33	0	0	0.00	0	-15.33
12	PIPL Management Consultancy And Investment Private Limited*	0	0.00	0	25,366,521	15.30	0	15.30
13	Global Solutions Private Limited**	25,915,838	15.66	0	0	0.00	0	-15.66
14	Global Consultancy And Investment Private Limited**	0	0.00	0	25,915,838	15.64	0	15.64
15	AKM Systems Private Limited	3,668,362	2.22	0	3,846,962	2.32	0	0.10
16	Pawar Family Trust	0	0	0	0	0	0	0
17	Thadani Family Trust	0	0	0	0	0	0	0
	<b>Total</b>	<b>56,473,335</b>	<b>34.12</b>	<b>0</b>	<b>56,651,935</b>	<b>34.18</b>	<b>0</b>	<b>0.06</b>

\* Pace Industries Private Limited gifted shares to its wholly owned subsidiary, PIPL Management Consultancy and Investment Private Limited.

\*\*Global Solutions Private Limited gifted shares to its wholly owned subsidiary, Global Consultancy and Investment Private Limited.

# Variation in %age due to ESOP allotment to employees

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

	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
At the beginning of the year	56473335	34.12	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equities etc.):	-	-	-	-
Transfer date				
9-Dec-2016	37085	0.02	56510420	34.10
16-Dec-2016	80110	0.05	56590530	34.15
23-Dec-2016	61405	0.04	56651935	34.19
<b>At the end of the year</b>	<b>56651935</b>	<b>34.18</b>	<b>56651935</b>	<b>34.18</b>

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

Name Of The Top 10 Shareholders	Shareholding	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 (01-04-16 to 31-03-17)	
	No. of Share at the beginning (01-04-16)/end of the year (31-03-17)	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Share	% of total shares of the Company
Reliance Capital Trustee Co. Ltd-A/C Reliance Small Cap Fund	4133982	2.50	1-Apr-2016				
			17-Jun-2016	1652767		5786749	3.50
	5786749	3.49	31-Mar-2017	-	Transfer	5786749	3.49
Abu Dhabi Investment Authority - Behave *	0	0.00	1-Apr-2016				
			19-Aug-2016	1402000	Transfer	1402000	0.85
			26-Aug-2016	1820000	Transfer	3222000	1.95
			2-Sep-2016	1513322	Transfer	4735322	2.86
			9-Sep-2016	540198	Transfer	5275520	3.19
			16-Sep-2016	490000	Transfer	5765520	3.48
			7-Oct-2016	820198	Transfer	6585718	3.98
			21-Oct-2016	293802	Transfer	6879520	4.15
			10-Feb-2017	-944387	Transfer	5935133	3.58
			17-Feb-2017	-73459	Transfer	5861674	3.54
			3-Mar-2017	-111674	Transfer	5750000	3.47
	5750000	3.47	31-Mar-2017	-		5750000	3.47
Government Pension Fund Global	4956291	2.99	1-Apr-2016				
	4956291	2.99	31-Mar-2017	0	Transfer	4956291	2.99
Vistra Itcl India Limited ^	3245499	1.96	1-Apr-2016				
	3245499	1.96	31-Mar-2017	0	Transfer	3245499	1.96
Uti-Mid Cap Fund *	0	0.00	1-Apr-2016				
			16-Sep-2016	749695	Transfer	749695	0.45
			23-Sep-2016	150000	Transfer	899695	0.54
			31-Dec-2016	400000	Transfer	1299695	0.78
			13-Jan-2017	780370	Transfer	2080065	1.26
			20-Jan-2017	1074480	Transfer	3154545	1.90
	3154545	1.90	31-Mar-2017	-		3154545	1.90
Reliance Nippon Life Insurance Company Limited *	0	0.00	1-Apr-2016				
			17-Feb-2017	270000	Transfer	270000	0.16
			24-Feb-2017	2175000	Transfer	2445000	1.48
			10-Mar-2017	154421	Transfer	2599421	1.57
			17-Mar-2017	207594	Transfer	2807015	1.69
			24-Mar-2017	131348	Transfer	2938363	1.77
	2937697	1.77	31-Mar-2017	-666		2937697	1.77
Polunin Emerging Markets Small Cap Fund Llc	2340650	1.41	1-Apr-2016				
	2340650	1.41	31-Mar-2017	0	Transfer	2340650	1.41
Birla Sun Life Insurance Company Limited *	0	0.00	1-Apr-2016				
			2-Sep-2016	9470	Transfer	9470	0.01
			6-Jan-2017	80000	Transfer	89470	0.05
			24-Feb-2017	1924788	Transfer	2014258	1.22
			3-Mar-2017	145500	Transfer	2159758	1.30
	2159758	1.30	31-Mar-2017			2159758	1.30

Name Of The Top 10 Shareholders	Shareholding	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 (01-04-16 to 31-03-17)	
	No. of Share at the beginning (01-04-16)/end of the year (31-03-17)	% of total shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Share	% of total shares of the Company
Tasha Enterprises LLP *	0	0.00	1-Apr-2016				
			12-Aug-2016	1373046	Transfer	1373046	0.83
			26-Aug-2016	492862	Transfer	1865908	1.13
			16-Sep-2016	199012	Transfer	2064920	1.25
			23-Sep-2016	150	Transfer	2065070	1.25
	2065070	1.25	31-Mar-2017			2065070	1.25
The Master Trust Bank of Japan Ltd. as Trustee of Blackrock India Equity Fund	2396500	1.45	1-Apr-2016				
			29-Jul-2016	-94901	Transfer	2301599	1.39
			7-Oct-2016	-41827	Transfer	2259772	1.36
			21-Oct-2016	-105149	Transfer	2154623	1.30
			28-Oct-2016	-95712	Transfer	2058911	1.24
			9-Dec-2016	-71456	Transfer	1987455	1.20
			3-Mar-2017	-95000	Transfer	1892455	1.14
			1892455	1.14	31-Mar-2017	-	
	DSP Blackrock Small and Mid Cap Fund #	3237153	1.96	1-Apr-2016			
21-Oct-2016				-254686	Transfer	2982467	1.80
20-Jan-2017				-348725	Transfer	2633742	1.59
17-Feb-2017				-578615	Transfer	2055127	1.24
24-Feb-2017				-2055127	Transfer	0	0.00
0		0.00	31-Mar-2017	-		0	0.00
DSP Blackrock Equity Fund #	2343418	1.42	1-Apr-2016				
			17-Feb-2017	-514833	Transfer	1828585	1.10
			24-Feb-2017	-1828585	Transfer	0	0.00
	0	0.00	31-Mar-2017	-		0	0.00
ICICI Prudential Exports and Other Services Fund #	3000000	1.81	1-Apr-2016				
			8-Apr-2016	-365652	Transfer	2634348	1.59
			15-Apr-2016	-734066	Transfer	1900282	1.15
			10-Jun-2016	-1900282	Transfer	0	0.00
	0	0.00	31-Mar-2017			0	0.00
Tasha Enterprises LLP #	1856778	1.12	1-Apr-2016				
			5-Aug-2016	-1375000	Transfer	481778	0.29
			9-Sep-2016	80013	Transfer	561791	0.34
	561791	0.34	31-Mar-2016			561791	0.34
ICICI Prudential Technology Fund #	2000000	1.21	1-Apr-2016				
			23-Sep-2016	-472909	Transfer	1527091	0.92
			21-Oct-2016	-905009	Transfer	622082	0.38
			28-Oct-2016	-598604	Transfer	23478	0.01
			4-Nov-2016	-23478	Transfer	0	0.00
	0	0.00	31-Mar-2017			0	0.00

^ Name changed from IL And FS Trust Company Limited to Vistra ITCL India Limited during the week ending 31-12-2016

# Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2016

\* Not in the list of Top 10 shareholders as on 01-04-2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017.

### (v) Shareholding of Directors and Key Managerial Personnels (KMP):

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	Rajendra S Pawar *	157,527	0.10	157,527	0.10	0.00
2	Vijay K Thadani*	157,527	0.10	157,527	0.10	0.00
3	P Rajendran	457,537	0.28	457,537	0.28	0.00
4	Sanjay Khosla	56,250	0.03	56,250	0.03	0.00
5	Rohit Kumar Gupta**	48,000	0.03	48,000	0.03	0.00
6	Rahul K Patwardhan	0	0.00	2,000	0.00	0.00
7	Amit Roy	0	0	0	0	0
8	Deepak Bansal	0	0	0	0	0
9	Arpita B Malhotra#	0	0	0	0	0
	<b>Total</b>	<b>876,841</b>	<b>0.53</b>	<b>878,841</b>	<b>0.53</b>	<b>0.00</b>

\*Includes shareholding as Karta (HUF)

\*\* Rohit Kumar Gupta resigned on 28th February 2017

# Arpita B Malhotra resigned on 25th July 2016

### V. INDEBTEDNESS:

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

(Rs. Mn)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
(i) Principal Amount	1,661.08	85.00	0	1746.08
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	10.56	5.56		16.12
<b>Total (i+ii+iii)</b>	<b>1671.64</b>	<b>90.56</b>	<b>0</b>	<b>1762.20</b>
<b>Change in Indebtedness during the Financial Year</b>				
- Addition	3.10	175.34	0	178.44
- Reduction	43.61	90.56	0	134.17
<b>Net Change</b>	<b>(40.51)</b>	<b>84.78</b>		<b>44.27</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	1628.03	164.00	0	1792.03
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	3.10	11.34		14.44
<b>Total (i+ii+iii)</b>	<b>1631.13</b>	<b>175.34</b>	<b>0</b>	<b>1806.47</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Vijay K Thadani (Vice Chairman & Managing Director)	P Rajendran (Joint Managing Director)	
1	Gross Salary*			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,973,914	11,521,131	22,495,045
	(b) Value of perquisites under section 17(2) of Income-tax Act, 1961	900,875	353,658	1,254,533
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify (Mediclaime Premium)	125,211	125,211	250,422
	Total (A)	12,000,000	12,000,000	24,000,000
	Ceiling as per Schedule V of the Act			

\*Details does not include Gratuity, contribution to Provident Fund and Superannuation Fund.

#### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (In Rs.)
		Surendra Singh	Anand Sudarshan	Geeta Mathur	Sanjay Khosla	
1	Independent Directors - Fee for attending board/ committee meetings*	1,120,000	1,040,000	1,280,000	240,000	3,680,000
	- Commission	0	0	0	0	0
	-Others, please specify	0	0	0	0	0
	Total (1)					
2	Other Non-Executive Directors - Fee for attending board/committee meetings	0	0	0	0	0
	- Commission	0	0	0	0	0
	-Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	1,120,000	1,040,000	1,280,000	240,000	3,680,000
	Total Managerial Remuneration (A+B)					27,680,000

\*pertains to 2016-17, however paid in the current financial year.

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Chief Executive Officer Rahul K Patwardhan	Company Secretary Deepak Bansal (w.e.f. July 26, 2017)	Company Secretary Arpita B Malhotra (from May 10, 2017 to July 25, 2017)	Chief Financial Officer Amit Roy (w.e.f. March 1, 2017)	Chief Financial Officer Rohit Gupta (till February 28, 2017)	Total
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45,315,184	2,137,422	259,629	342,054	11,701,024	59,755,313
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961-	1,953,100	6,600	-	3,300	41,300	2,004,300
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	62,960	-	-	-	2,057,569	2,120,529
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-	-	-
5	Others, please specify	-	81,000	6,930	13,920	1,016,444	581,274
	<b>Total</b>	<b>47,331,244</b>	<b>2,225,022</b>	<b>266,559</b>	<b>359,274</b>	<b>14,816,337</b>	<b>64,461,416</b>

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment Compounding fees imposed	Authority [RD/ NCLT/COURT]
<b>A. Company</b>				
Penalty				
Punishment				
Compounding				
<b>B. Directors</b>				
Penalty				
Punishment				
Compounding				
<b>C. Other Officers in Default</b>				
Penalty				
Punishment				
Compounding				

For and on behalf of the Board

**Rajendra S Pawar**  
Chairman

DIN: 00042516

Place: Gurugram  
Date: May 17, 2017

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director and Key Managerial Personnel (KMPs) during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

### Remuneration to Whole-time Directors

Sl. No.	Name of Director and Designation	Remuneration of Director (Rs. in Mn)	% increase in Remuneration*	Ratio of remuneration of each Director to median remuneration of employees
1.	Vijay K Thadani, Vice-Chairman and Managing Director	15.56	-0.03	30.90
2.	P Rajendran, Joint Managing Director	14.49	0.38	28.77

\*variation on account of actuarial valuation

### Remuneration to Independent Directors

Sl. No.	Name of Director and Designation	Remuneration of Director (Rs. In Mn)	% increase in Remuneration	Ratio of remuneration of each Director to median remuneration of employees
1.	Sanjay Khosla – Non Executive Independent Director	0.24	-45.45	0.48
2.	Surendra Singh– Non Executive Independent Director	1.12	21.74	2.22
3.	Anand Sudarshan– Non Executive Independent Director	1.04	-7.14	2.06
4.	Geeta Mathur – Non Executive Independent Director	1.28	6.67	2.54

The increase/decrease in remuneration paid to Independent Directors is based on following:

- Remuneration includes only sitting fees
- Sitting Fees paid on the basis of Board/Committee meetings attended by the Director during the year; and
- As permitted under the Companies Act, 2013, the sitting fees to attend the Board and Audit Committee Meeting is Rs.80,000 and to attend the Stakeholders' Relationship Committee and Nomination and Remuneration Committee meeting is Rs.40,000.

### Remuneration of other Key Managerial Personnel

Sl. No.	Name of Key Managerial Personnel and Designation	Remuneration of Key Managerial Personnel (Rs. in Mn)	% Increase in Remuneration	Ratio of remuneration of each Key Managerial Personnel to median remuneration of employees
1.	Rahul Keshav Patwardhan – Chief Executive Officer	47.33	46.62	93.96
2.	Rohit Kumar Gupta – Chief Financial Officer (Till February 28, 2017)	14.42	-2.76	28.62
3.	Deepak Bansal – Company Secretary (w.e.f July 26, 2016)	2.23	0	4.42
4	Amit Roy- Chief Financial Officer (w.e.f March 1, 2017)	0.36	0	0.71
5	Arpita B Malhotra –Company Secretary (Till July 25, 2016)	0.27	0	0.55

*\*Based on annualized salary*

- The median remuneration of employees of the Company during the financial year was Rs. 0.50 Mn.
- In the financial year 2016-17, there was an increase of 0.02 Mn in the median remuneration of employees;
- There were 1617 regular employees on the rolls of Company as on March 31, 2017;
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board

**Rajendra S Pawar**  
Chairman  
DIN: 00042516

Place: Gurugram  
Date: May 17, 2017

A. Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Board's Report for the year ended March 31, 2017  
Details of Employee(s) employed throughout the year and in receipt of remuneration not less than Rs. 10,200,000 for the year

Name	Age (Years)	Qualification(s)	Experience (Years)	Designation	Nature of Duties	Gross Remuneration (Rs.)	Date of Joining	Previous Employment	Previous Employment Designation
Vijay K Thadani	66	B. Tech.	45	Vice Chairman & Managing Director	MD	15,563,937	2-Dec-81	Keltron Limited	Branch Manager
P. Rajendran	64	B.E.	43	Joint Managing Director	JMD	14,492,652	1-Sep-82	Keltron Limited	Resident Manager
Rahul K Patwardhan	57	BE/BTech (Bachelor of Engineering)	33	Chief Executive Officer	Chief Executive Officer	47,331,244	6-Oct-14	Kolpavruksh Technologies Deutschland GMBH	M.D., Global Managed App Services

B. Details of Employee(s) employed for part of the year and in receipt of remuneration not less than Rs. 8,500,000 per month

Name	Age (Years)	Qualification(s)	Experience (Years)	Designation	Nature of Duties	Gross Remuneration (Rs.)	Date of Joining	Previous Employment	Previous Employment Designation
Rohit Kumar Gupta	47	BCOM, CA	25	Chief Financial Officer	CFO	14,828,837	14-Apr-11	Virgin Mobile India Pvt. Ltd.	Chief Financial Officer
Ganesh Krishnamurthy	51	B.COM	27	Senior Vice President & Global Head, LC	Global Head LC	4,958,934	1-Apr-02	Trigyn Technologies Ltd	Project Manager
Shivan Bhargava	48	B.E. & MBA	28	Group President	Business Head-SCG	4,100,647	28-July-14	Bharti Airtel	MD of Airtel Networks Kenya Limited
Prakash Menon	54	BSC	32	President-Global Skills & Career Group	Business Head-Global Skills and Career group	4,977,376	01-Nov-16	First Employment	
Kirti Seth	51	BA/MBA	28	Senior vice president-consulting & Advisory Services	Consulting & Advisory Services	9,723,798	1-Sep-11	NIIT Institute of Process Excellence Limited	Chief Business Officer

### NOTES:

- (1) The gross remuneration shown above comprises salary, allowances, incentives, monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund, Superannuation Fund and National Pension Fund.
- (2) The gross remuneration of employees does not include provision for gratuity and provision for leave encashment.
- (3) None of the above employees are related to any Director of the Company.
- (4) None of the employees holds 2% or more of the paid-up equity share capital of the Company.  
There was no employee, employed throughout the financial year or part thereof, was in receipt of remuneration during the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director and also holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
- (5) None of the employee is a relative of any director of the Company.

For and on behalf of the Board

Place: Gurugram

Date: May 17, 2017

**Rajendra S Pawar**  
Chairman  
DIN: 00042516

### Information relating to NIIT ESOP-2005 under Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: (To be updated)

A)	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Please refer to Notes Nos. 2.3 (IX) and 25 contained in the Notes to Financial Statement forming part of Annual Financial Statement for the financial year ended on March 31, 2017
B)	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	0.01

#### C. Details related to ESOS

- i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including-

a)	Date of shareholders' approval	May 18, 2005																																																						
b)	Total number of options approved under ESOS	a) Pre-bonus and split – 1,925,000 b) Revised options post-bonus and split – 11,173,823																																																						
c)	Vesting requirements	Employee Stock Option shall vest in a minimum period of 1 year and maximum period of 5 years from the date of grant																																																						
d)	Exercise price or pricing formula	At a price not less than the then existing face value of the share of the Company <table border="1"> <thead> <tr> <th></th><th>Grant Price Rs.</th><th>Market Price Rs. #</th></tr> </thead> <tbody> <tr><td>Grant I *</td><td>180.00</td><td>235.15</td></tr> <tr><td>Grant II **</td><td>237.00</td><td>237.00</td></tr> <tr><td>Grant III **</td><td>912.15</td><td>912.15</td></tr> <tr><td>Grant IV **</td><td>88.70</td><td>88.70</td></tr> <tr><td>Grant V **</td><td>72.20</td><td>72.20</td></tr> <tr><td>Grant VI **</td><td>69.20</td><td>69.20</td></tr> <tr><td>Grant VII **</td><td>67.65</td><td>67.65</td></tr> <tr><td>Grant VIII ***</td><td>2.00</td><td>45.05</td></tr> <tr><td>Grant IX**</td><td>41.00</td><td>41.00</td></tr> <tr><td>Grant X**</td><td>49.85</td><td>49.85</td></tr> <tr><td>Grant XI**</td><td>48.50</td><td>48.50</td></tr> <tr><td>Grant XII**</td><td>41.60</td><td>41.60</td></tr> <tr><td>Grant XIII**</td><td>52.15</td><td>52.15</td></tr> <tr><td>Grant XIV**</td><td>75.65</td><td>75.65</td></tr> <tr><td>Grant XV**</td><td>75.65</td><td>75.65</td></tr> <tr><td>Grant XVI**</td><td>83.30</td><td>83.30</td></tr> <tr><td>Grant XVII**</td><td>73.60</td><td>73.60</td></tr> </tbody> </table> <p># Closing price on the National Stock Exchange of India Limited. * at approx. 23.45% discount to market price. ** at market price. ***at approx. 96% discount to market price.</p>		Grant Price Rs.	Market Price Rs. #	Grant I *	180.00	235.15	Grant II **	237.00	237.00	Grant III **	912.15	912.15	Grant IV **	88.70	88.70	Grant V **	72.20	72.20	Grant VI **	69.20	69.20	Grant VII **	67.65	67.65	Grant VIII ***	2.00	45.05	Grant IX**	41.00	41.00	Grant X**	49.85	49.85	Grant XI**	48.50	48.50	Grant XII**	41.60	41.60	Grant XIII**	52.15	52.15	Grant XIV**	75.65	75.65	Grant XV**	75.65	75.65	Grant XVI**	83.30	83.30	Grant XVII**	73.60	73.60
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e)	Maximum term of options granted	5 Years																																																						
f)	Source of shares (primary, secondary or combination)	Primary																																																						
g)	Variation in terms of options	NIL																																																						

- ii) Method used to account for ESOS - Intrinsic value

iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. Please refer to Note No. 25 contained in the Notes to financial statement forming part of financial statement for the financial year ended on March 31, 2017

iv) Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period	6086256
Number of options granted during the year	460000
Number of options forfeited / lapsed during the year	851879
Number of options vested during the year	1602731
Number of options exercised during the year	306953
Number of shares arising as a result of exercise of options	306953
Money realized by exercise of options (INR), if scheme is implemented directly by the company	12754277
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	5387424
Number of options exercisable at the end of the year	5387424

v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

Grant (Rs.)	I*	II*	III*	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV	XVI	XVII
Weighted average exercise price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	2.00	35.40	49.75	48.50	41.60	52.15	75.65	75.65	83.30	73.60
Weighted average fair value	13.15	9.63	37.23	32.09	34.47	32.71	31.57	40.17	12.15	17.30	15.76	14.30	18.10	25.91	27.30	31.78	27.10
Note: *the prices are adjusted for the bonus and split																	

vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

i)	senior managerial personnel	NIL
ii)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	NIL
iii)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL

vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII	Grant IX	Grant X	Grant XI	Grant XII	Grant XIII	Grant XIV	Grant XV	Grant XVI	Grant XVII
Weighted-average values of share price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	45.05	35.40	49.75	48.50	41.60	52.15	75.65	75.65	83.30	73.60
Exercise Price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	2.00	35.40	49.75	48.50	41.60	52.15	75.65	75.65	83.30	73.60
Expected volatility	14.00%	14.00%	45.47%	51.81%	66.48%	66.23%	63.20%	44.02%	41.64%	42.42%	40.76%	41.25%	41.99%	47.11%	44.99%	46.31%	46.35%
Expected life	2.5 years	2.5 years	2.5 years	2.5 years	3.5 years	3.5 years	3.5 years	3 years	4.5 years	4.5 years	4.1 years	4.5 years	4.5 years	3.5 years	4.5 years	4 . 5 years	4 . 5 years
Expected dividends	Not considered	Not considered	2.79%	2.04%	1.76%	1.76%	1.76%	2.55%	3.96%	3.96%	3.96%	3.50%	3.50%	3.50%	3.50%	3.01%	3.01%
Risk-free interest rate	7.00%	7.00%	7.93%	9.24%	6.89%	6.50%	7.55%	8.19%	8.73%	8.74%	8.50%	7.93%	7.85%	7.47%	7.57%	7.52%	6.41%

- b) the method used and the assumptions made to incorporate the effects of expected early exercise – Not Applicable
- c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility - Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. Each vest has been considered as a separate grant. The volatility for periods corresponding to the respective expected lives of the different vests, prior to the grant date has been considered. The daily volatility of the Company's stock price on NSE over these years has been considered.
- d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. – Not Applicable

For and on behalf of the Board

**Rajendra S Pawar**  
Chairman  
DIN: 00042516

Place: Gurugram  
Date: May 17, 2017

## MANAGEMENT DISCUSSION AND ANALYSIS

### Company Overview

Established in 1981, NIIT Limited is a global leader in Skills and Talent Development. The Company offers multidisciplinary learning management and training delivery solutions to corporations, institutions, and individuals in over 40 countries.

NIIT has three lines of business – Corporate Learning Group (CLG), Skills & Careers Group (SNC), and School Learning Group (SLG).

**Table 1: Business Metrics**

	Corporate Learning Group	Skills & Careers Group	School Learning Group
Revenue	Rs. 7,662 million	Rs. 3,230 million	Rs. 979 million
Offerings	Managed Training Services, Custom Projects	Service Sector skills, Professional Life skills	Teaching & Learning Solutions, School Services
Focus Geography	USA, Europe	India, China	India
Value Proposition	Productivity	Employability	Academic Performance

➤ **Corporate Learning:** NIIT's Corporate Learning Group (CLG) offers Managed Training Services (MTS) to market-leading companies in North America, Europe, Asia, and Oceania. The comprehensive suite of Managed Training Services includes Custom Curriculum Design and Content Development, Learning Administration, Learning Delivery, Strategic Sourcing, Learning Technology, and Advisory Services. With a team of some of the world's finest learning professionals, NIIT is dedicated to helping customers increase the business value of learning and development (L&D).



➤ **Skills and Careers:** NIIT's Skills & Careers Group (SNC) delivers a diverse range of learning and talent development programs to individual and corporate learners in different areas including Banking & Finance, Soft Skills, Business Process Excellence, Retail Sales Enablement, Management Education, Multi-Sectoral Vocational Skills, Digital Media Marketing, and new-age IT. These programs are delivered through a combination of the "Cloud Campus" platform, satellite-based "Synchronous Learning Technology", a physical network of about

400 learning centers in India, China, and select markets in Asia and Africa and online through **training.com**. The flagship multidisciplinary course offerings include the industry-endorsed GNIIT-Digital Transformation program and a set of DigiNxt Programs for students from different streams, apart from a wide range of specialist short-duration programs.



To strengthen its SNC portfolio in India, NIIT has tied up with industry majors such as ICICI Bank for NIIT Institute of Finance Banking Insurance & Training Limited (IFBIT); leading business schools in India

for NIIT Imperia; Genpact for NIIT Uniqua; and with National Skills Development Corporation (NSDC) for NIIT Yuva Jyoti Limited. Besides this, for the China market, NIIT has tied up with governments and software parks in Guian New Area, Chongqing, Wuxi, Suzhou, Changzhou, Zhangjiagang, Haikou, and Dafeng for state-of-the-art public-private partnership centers.

➤ **School Learning:** NIIT's School Learning Group (SLG) addresses the K-12 schools in India. SLG provides technology-based learning to schools across India, reaching out to more than a million students. The futuristic NIIT nGuru range of learning solutions for schools comprises Interactive Classrooms with digital content, technology-driven Math Lab™, IT Wizard programs, and Quick School – an Education Resource Planning software.



## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Schools are increasing adoption of technology-based solutions to remain competitive and to improve learning experience for their students. As a product and service provider to schools, NIIT is uniquely positioned to take advantage of this trend. The focus here is on improving the effectiveness of school education and academic performance of students.

NIIT's training solutions across Skills & Careers Group, Corporate Learning Group, and School Learning Group have impacted over 35 million learners since its inception.

### Environment and state of the industry

The financial year 2016–17 remained a challenging year for the global economy. Global GDP grew 3.1 percent. Macroeconomic conditions continued to be uncertain due to major geopolitical developments including UK vote in favor of leaving the European Union and Presidential Elections in the USA.

Global-political environment and volatile forex rates and commodity prices impacted the pace of decision-making in global companies. However, spending on training remained robust, and there was increased confidence in outsourcing of training by large corporations.

Economic activity in India slowed further in the second half of the financial year because of the temporary negative consumption shock induced by cash shortages and payment disruptions from the currency exchange initiative (IMF). Growth in Q4 FY17 fell to 6.1%. GDP growth for FY17 was recorded at 7.1% as compared to 8% last year.

Macro headwinds and digital disruption made companies increase their focus on automation. This, combined with an uncertain demand outlook, led to reduced pace of hiring across sectors. Companies focused on reskilling their workforce to address opportunities needs of digital. As per NASSCOM, spends on Digital have grown three times the traditional spending on technology.

India's start-up ecosystem continued to flourish despite hitting speedbumps on fresh funding during the year.

The country is now home to over 4,750 technology start-ups. This is creating a strong demand for high-end digital skills.

### Company Performance

The consolidated financials for the FY17 are provided in Table 2.

**Table 2: Profit & Loss Statement**

Rs. Million	FY17	FY16	YoY
Net Revenues	11,877	10,069	18%
Operating Expenses	11,117	9,357	19%
EBITDA	760	712	7%
EBITDA%	6%	7%	-67 bps
Depreciation & Amortization	469	492	-5%
Net Other Income	(199)	(146)	-54 mn
Profit Before Tax	91	74	23%
Tax	42	37	+5 mn
Operational Net Profit / (Loss)	49	37	+12 mn
Share of Profits from Associates	603	635	-32mn
Profit / (Loss) After Tax	651	672	-3%
Basic EPS (Rs.)	3.9	4.1	-3%

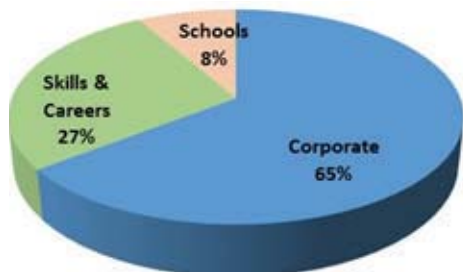
Revenue (Net Revenue) in FY17 grew 18% over FY16. CLG continued to lead growth and profitability for the company driven by strong momentum in Managed Training Services. Strong growth in CLG made up for the planned reduction in revenue from SLG due to phasing out the business of providing education services in Government Schools.

The Operating Profit (EBITDA) was Rs. 760 million or 6% of Revenue in FY17. EBITDA grew 7% over last year. This was driven by steady growth in CLG and turn around in profitability of the SNC business.

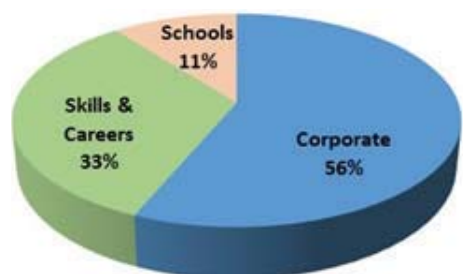
Depreciation and amortization declined further by 5%, reflecting planned reduction in capital intensity of the business due to exit from capex-driven business models.

Comparison of Businesswise share of revenue for FY17 and FY16 is provided in Figure 1.

Figure 1: Business Mix  
FY17



FY16



A detailed discussion of NIIT's business and performance is given in the subsequent paragraphs.

### Business Overview

NIIT continued to strengthen its Platforms of Growth, along with focus on improving Liquidity, Profitability, and Capital Efficiency.

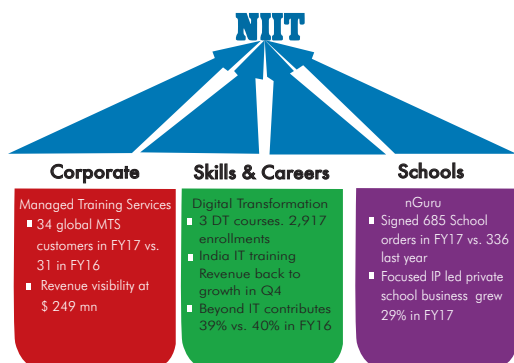


Figure 2: Platforms of Growth

- In CLG, the company added 4 new global customers in FY17 for its Managed Training Services (MTS) offering. NIIT ended FY17 with 34 MTS customers and Revenue Visibility of USD 249 million over the remaining period of the contracts.
- In SNC, NIIT continued to drive the use of technology for delivery of courses to increase coverage, and improve efficiency. While overall revenue growth was impacted due to short-term impact of demonetization and slowdown in hiring in IT sector, India IT training portfolio returned to growth (exited year with 4% growth YoY in Q4 FY17) driven by DigiNxt. Beyond IT contributed 39% in FY17 (vs. 40% LY).
- SLG signed 685 school orders during the year for its nGuru suite of products. SLG provides nGuru solutions to over 2,000 private schools. Go forward business (excluding capex driven and government business) grew 29% YoY.

### Corporate Learning Group

NIIT's Corporate Learning Group provides Managed Training Services to Global Multinational Companies, headquartered in North America and Europe.

Corporate spending on training continues to grow at a robust pace. Globally, companies spend 2% to 4% of their cost base on internal training; this represents a large market opportunity. Various estimates put the amount of spending on training between USD 150 Billion to USD 300 Billion per annum. The market for outsourcing is bound to grow substantially as more companies open up to MTS and gain benefits. Right now, less than 20% of the Fortune 1000 companies outsource training, Learning and Development (L&D) is increasingly seen by corporations as one of the keys to driving business success. Therefore, global corporations are not only demanding greater accountability and efficiency on spending from their L&D function but also expecting it to lead to measurable improvement in employee productivity and business outcomes.

NIIT offers innovative solutions under its Managed Training Services that help clients accelerate business impact. NIIT's team of learning professionals is helping the world's leading companies transform their training function through training outsourcing services that reduce costs, add measurable value, and increase

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

business impact, while allowing customers to redirect resources and energy into core business functions. NIIT's Managed Learning Services include the following towers:

- Custom Content and Curriculum Design
- Learning Delivery
- Learning Administration
- Strategic Sourcing
- Learning Technology
- Advisory Services



**Figure 3: Managed Training Services**

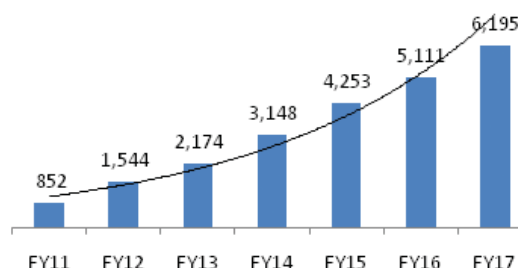
The strong value proposition, innovation, and excellence in customer service continue to reflect in a number of industry recognitions and awards, many of which were won in partnership with our customers.

NIIT is focused on the following industries/verticals:

- Technology & Telecom
- Energy & Commodities
- Life sciences
- Banking, Financial Services, and Insurance (BFSI)

The selected verticals represent the highest per employee spending on training with a significant portion of the training spend driven by regulation making them non-discretionary.

In FY17, CLG grew by a robust 35%, driven by strong growth momentum in MTS. MTS has grown 7 times over the last 6 years, at CAGR of 39% (\*excluding additional revenue from strategic sourcing business in FY17)



**Figure 4: MTS Revenue\* (in Rs. Million)**

Revenue contribution from MTS to CLG revenue increased to 95% as compared to 90% in FY16. The business achieved EBITDA margins of 9%. In the last quarter of the financial year, NIIT received additional strategic sourcing work from its customers. This resulted in additional revenue with no material impact on EBITDA. Adjusting for this, the normalized constant currency growth was 18% for the year and adjusted EBITDA margin was 11%.

The business has built a strong pipeline of new orders that are expected to help the company maintain a robust growth rate. The company has recently signed a large MTS contract in North America. The revenue from this contract would start to accrue from CY19 and would help to improve the rate of growth. NIIT has been investing in building capability for large comprehensive deals, and the recent contract win is vindication of this strategy and would help the company address more such opportunities in the future.

The business had a strong order intake of USD 114 million in FY17, which was up 9% (in USD terms) versus last year. As on March 31, 2017, CLG has a total revenue visibility of USD 249 million from balance periods of existing contracts.

**Table 3: Financials for Corporate Learning Group**

Rs. Million	FY17	FY16	YoY
Net Revenues	7,662	5,679	35%
Operating Expenses	6,969	5,019	39%
EBITDA	693	660	5%
EBITDA%	9%	12%	-259 bps

### Skills & Careers Group

NIIT's Skills and Careers group provides a wide range of courses across IT, BFSI, KPO/BPM, Management Education, Retail, Education, Multi-Sectoral Vocational Skills, Digital Media Marketing, and Professional Life Skills. For this, NIIT leverages its presence in its largest markets, India and China, to offer professional courses for Young Adults, preparing them for careers in different industries, and for Working Professionals, who wish to upgrade their skills or reskill themselves for career advancement or a career change.

NIIT has made the transition from being an IT training company to a Global skills and talent development company, with offerings across a number of service sectors. These Beyond-IT courses have expanded the addressable market for the company.

During FY17, the focus of the business was to improve growth rates and profitability. Demand for IT training witnessed two distinct trends. While the demand for traditional IT training was lower, the demand for digital skills witnessed a sharp increase. NIIT's DigiNxt portfolio of courses, which were created in anticipation of this trend, witnessed strong demand and growth during the year despite the impact of demonetization. The demand for Beyond-IT courses remains stable, although there was a temporary disruption during the demonetization drive.

Initiatives for business renewal launched last year including StackRoute, DigiNxt, and NIIT.tv witnessed strong traction. In addition, NIIT launched training.com to address demand for online learning.

#### a) StackRoute

**StackRoute™** is NIIT's revolutionary initiative to create multi-skilled and multi-disciplinary full-stack programmers, who can become key members of high-performance teams in top-tier product engineering companies, start-ups, and IT firms or who can create their own technology start-ups. It is a high end, specialized program offering that takes a group of talented programmers screened through a rigorous selection process and turns them into high performance

full-stack programmers that the industry needs urgently. The offering has been developed in intense consultation with the industry, start-ups, product engineering companies, and incubators and is strongly endorsed by all the key industry stakeholders.

The initiative received overwhelming response from IT companies, with two of the top 5 IT services companies in India adopting StackRoute to develop their top talent. NIIT is creating a hybrid version of the program that will help the program to scale delivery.

#### b) DigiNxt – Digital Transformation

As per NASSCOM, 80% of the incremental IT spending by global companies is expected to be on Digital Technologies. By the year 2025, while global technology and business services spending would increase to USD 4 Trillion, the share of traditional technologies is expected to reduce to 40% from 90% currently, whereas the share of Digital technologies is expected to increase to 60%. This represents a huge opportunity for training in Digital skills and reskilling of large proportion of existing professionals employed in the IT services sector.

NIIT plans to revolutionize IT training and education landscape by introducing pioneering programs in Digital Transformation under the DigiNxt series of programs, which were launched recently. This includes futuristic programs such as MEAN Stack, Big Data & Data Sciences Stack, Design Thinking, Cloud Stack, Internet of Things (IOT) Stack, Artificial Intelligence and Machine Learning, Robotics and Virtual Reality, Cyber-Security, under the DigiNxt Series brand umbrella.

Through this significant move, NIIT aims to totally realign the Skills and Career Group to the changing future-skill-sets requirement of the industry to help create job-ready talent pool for the fast evolving global economy.





Figure 5: DigiNxt

### c) NIIT.tv

NIIT.tv is a democratic digital learning initiative, backed by NIIT's strong EduTech credentials, with an aim to bring high-quality training from its classrooms to every digitally connected learner, for free, at any time, place, and language of their choice. NIIT.tv has more than 5,500 "live" as well as "on-demand" courses. The initiative continued to receive a strong response during the year. The platform has over 690,000 engaged learners from over 2,450 cities across 175 countries.

NIIT.tv is NIIT's engagement platform and provides basic, self-paced courses in multiple areas including technology. It helps participants sample NIIT's programs online before signing up at the nearest centre. Students accessing NIIT.tv online will be able to access a rich bouquet of high-quality, value-added services from NIIT centers, e.g. instructor led training, professional certification, career counselling, and placement services.

### d) training.com

NIIT has always been a pioneer in the use of technology in training. However, this technology including a portal for online learning was available to students who signed up at the brick-and-mortar centers. During the year, NIIT launched training.com – its commercial online offering where students can sign up for courses directly online. training.com is envisioned as a global, multi-modal learning platform that would build a 360 degree learning ecosystem including learners, learning content providers, institutions, faculty, mentors, and other education service providers creating a destination for lifelong learning. During the year, training.com launched courses in the area of technology, digital marketing, and executive management. These courses include courses from NIIT as well as through premium institutional and training partners such as IIM Calcutta, edX, and Digital Marketing Institute (Ireland).

Launched in August 2016, the business has built up significant momentum, primarily driven by long duration executive management programs. As of March 31, training.com offered over 30 online programs.



The financial performance of the Skills & Careers Group for the year is provided in Table 4. Overall, the business was impacted by the temporary shock of demonetization drive that impacted the business in India as consumers, both retail and corporate, deferred decision-making. Despite this, the new renewal initiatives led by DigiNxt offerings continued to ramp up and helped the business return to growth in

Quarter 4. Improved business mix toward higher realization courses and cost management helped the company achieve higher EBITDA for this business despite continued investments in long-term transformation of the business.

**Table 4: Financials for Skills & Careers Group**

Rs. Million	FY17	FY16	YoY
Net Revenues	3,230	3,326	(3)%
Operating Expenses	3,140	3,275	(4)%
EBITDA	90	51	74%
EBITDA%	3%	2%	123 bps

This does not include financials for the new online initiatives. Investments in setting up and launching the online business during the year resulted in the revenue of Rs. 6 million in FY17 with an EBITDA loss of Rs. 76 million.

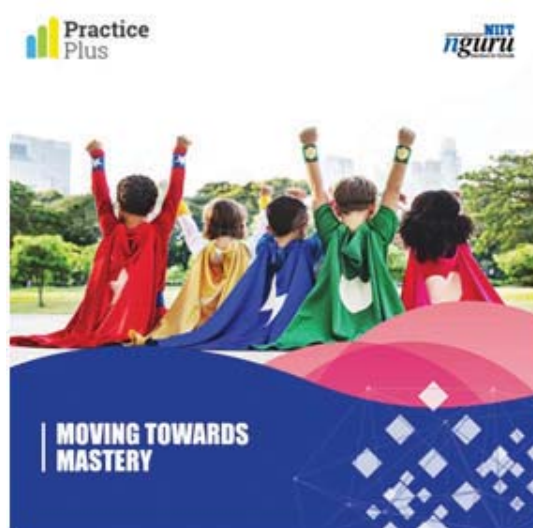
### School Learning Group

NIIT's School Learning Group provides teaching and learning solutions to schools. SLG offerings include the futuristic NIIT nGuru range of learning solutions for schools comprising Interactive Classrooms with digital content, technology-driven Math Lab, IT Wizard programs, and Quick School – an Education Resource Planning software.



**Figure 6: Comprehensive Product Portfolio**

The current K-12 school system in India is one of the largest in the world. India has more than 1.4 million schools with over 250 million students. About 25% of these (~350,000) are private schools, with over 10,000 schools being added every year. India has close to 100 million students enrolled in private schools. In comparison, the USA and the UK have 5.1 million and 0.5 million students enrolled in private schools, respectively.



**Figure 7: Practice Plus**

Technology plays an increasingly important role in education and child development, both inside and outside the schools. This represents a significant market opportunity. NIIT's nGuru learning solutions not only bring back the joy of learning for students but also create measurable impact on academic performance of learners.



**Figure 8: nGuru Math Lab**

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

In FY16, NIIT had transferred the School Learning business undertaking into a Wholly Owned Subsidiary company, MindChampion Learning Systems Limited (MLSL), to provide the business with an independent focus and attention and strengthened its leadership team including the appointment of a new CEO. The steps taken last year have led to a material improvement in performance of the go-forward, IP-driven business, which grew 29% YoY and overall margins improved by 338 basis points to 5%.

During the year, SLG signed contracts with 685 private schools in FY17. Order intake for the year was Rs. 422 million.

As part of the transformation, NIIT had decided to exit capex-driven business models and focus on IP- and service-driven offerings. Planned ramp down and completion of contracts in both government and private schools, with hardware as part of the bundled services, contributed to a decline in overall revenue in FY17. Margins improved due to continued focus on cost management and change in mix in favor of go-forward, IP-driven business. Revenue contribution from go-forward, IP- and Service-driven business was 40% in FY17 versus 29% in FY16.

**Table 5: Financials for School Learning Group**

Rs. Million	FY17	FY16	YoY (%)
Net Revenues	979	1,063	(8%)
Operating Expenses	926	1,041	(11%)
EBITDA	53	22	143%
EBITDA%	5%	2%	338 bps

### Consolidated Financials of the Company

The consolidated financial summary for FY17 is provided in Table 6 :

**Table 6: Consolidated Statement of P&L for FY17**

Rs. Million	FY17	FY16	YoY
<b>Net Revenues</b>	<b>11,877</b>	<b>10,069</b>	<b>18%</b>
<b>Operating Expenses</b>	<b>11,117</b>	<b>9,357</b>	<b>19%</b>
- Personnel Cost	3,712	3,329	12%
- Professional and Technical Outsourcing Expenses	4,747	3,077	54%
- Purchase of Stock in Trade	247	470	-47%
- Other Expenses Excluding Finance Costs	2,411	2,481	-3%
<b>EBITDA</b>	<b>760</b>	<b>712</b>	<b>7%</b>
EBITDA%	6%	7%	-67 bps
Depreciation & Amortization	469	492	-5%
Net Other Income / (Expenses) (Including Exceptional Items)	(199)	(146)	-54 mn
<b>Profit Before Taxes</b>	<b>91</b>	<b>74</b>	<b>23%</b>
Taxes	42	37	+5 mn
Share of Associate Profits / Profits Attributable to Minority Shareholders	603	635	-32 mn
<b>Profit After Taxes Attributable to Equity Holders</b>	<b>651</b>	<b>672</b>	<b>-21 mn</b>
<b>Basic EPS (Rs.)</b>	<b>3.9</b>	<b>4.1</b>	<b>-3 %</b>

### Net Revenue

In FY17, the Company recorded a revenue of Rs. 11,877 million, which showed a growth of 18% compared to the revenue achieved in FY16. This included additional revenue from Strategic Sourcing. Excluding this, the normalized growth for the company was 7% YoY.

### Operating Expenses

Operating expenses for FY17 were up 19% year-on-year. This resulted in reduction in EBITDA margin to 6% versus 7% in FY16, a reduction of 67 basis points. Change in business mix, primarily due to additional revenue from strategic sourcing revenue resulted in an increase in Professional and Technical Outsourcing Expenses over last year. This led to marginal reduction in operating margin versus last year.

Excluding expenses for the additional Strategic Sourcing revenue, operating margin was 7%.

### Depreciation

For the year, the depreciation and amortization expense was Rs. 469 million compared to Rs. 492 million last year, down 5% year-on-year. Continuing reduction in depreciation reflects planned reduction in capital intensity of the business due to exit from capex-driven business models and focus on asset light businesses.

### Net Other Income

The net other income for FY17 includes:

- Interest expenses, net of income from deposits and mutual funds for the Company
- Foreign exchange gains / losses
- Miscellaneous income
- Exceptional items

The net interest and financial expense for FY17 was Rs. 206 million compared to Rs. 221 million for FY16 due to reduction in debt and improvement in working capital cycle. The Company recorded a net foreign exchange loss of Rs. 75 million in FY17 compared to a gain of Rs. 21 million in FY16. In addition, the Company had a net miscellaneous income of Rs. 65 million as compared to Rs. 38 million last year. The Company also gained Rs. 16 million on account of Exceptional items in FY17, which is similar to last year.

### Taxes

During FY17, the Company has made a tax provision of Rs. 42 million compared to Rs. 37 million last year. The taxes in FY17 relate to income tax provisions in profitable subsidiary companies.

Table 7: Detailed Analysis of Consolidated Balance Sheet at the end of the financial year

Rs. Million	31-Mar-17	31-Mar-16
<b>Sources of Funds</b>		
Share Capital	332	331
Reserves & Surplus	8,224	7,720
<b>Shareholders' Funds</b>	<b>8,556</b>	<b>8,051</b>
<b>Minority Interest</b>	<b>106</b>	<b>85</b>
Secured Loans	1,718	1,949
<b>Loan Funds</b>	<b>1,718</b>	<b>1,949</b>
<b>Total</b>	<b>10,380</b>	<b>10,085</b>
<b>Application of Funds</b>		
<b>Fixed Assets</b>		
Gross Block	6,085	6,934
Depreciation	5,216	5,860
<b>Net Block</b>	<b>869</b>	<b>1,074</b>
<b>Capital Work in Progress</b>	<b>147</b>	<b>17</b>
<b>Investments</b>	<b>6,195</b>	<b>5,820</b>
<b>Deferred Tax Assets</b>	<b>191</b>	<b>105</b>
<b>Net Current Assets</b>	<b>2,977</b>	<b>3,069</b>
<b>Total</b>	<b>10,380</b>	<b>10,085</b>

The analysis in this MDA does not conform specifically to the new Schedule III format and has been regrouped for analysis.

### Share Capital

During the year, the share capital of the Company increased by Rs. 0.5 million due to issuance of shares to employees on exercise of Employee Stock Options.

### Minority Interest

Minority interest has increased from Rs. 85 million to Rs. 106 million due to profits earned during the year, attributable to minority shareholders of subsidiary companies of NIIT Limited.

### Reserves and Surplus

Net increase in Reserves and Surplus as compared to last year is Rs. 504 million. Reserves and Surplus includes capital reserve on account of amalgamation.

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

### Loan Funds

As on March 31, 2017, the total gross debt of the Company stood at Rs. 1,718 million compared to Rs. 1,949 million on March 31, 2016.

The Company had a Net Debt balance of Rs. 447 million (Rs. 419 million, excluding impact of change in foreign currency exchange rates on fully hedged foreign currency loan) as compared to a net debt of Rs. 1,062 million (Rs. 1,001 million, excluding impact of change in foreign currency exchange rates on fully hedged foreign currency loan) as on March 31, 2016.

As per the new balance sheet format, Rs. 1,510 million is reflected as long-term borrowings and Rs. 208 million as Other Current Liabilities.

### Fixed Assets

As of the beginning of the year, the net block stood at Rs. 1,074 million. During the year, the Company added fixed assets of Rs. 280 million. The Company invested additional amount (net of capitalisation) of Rs. 130 million in capital work in progress. Total Capex for the year including Capital Work in Progress is Rs. 410 million.

The category-wise addition in fixed asset is given below:

- |   |                 |
|---|-----------------|
| a) New initiatives and products:        | Rs. 183 million |
| b) Project related capital expenditure: | Rs. 30 million  |
| c) Capacity expansion and upgrade:      | Rs. 56 million  |
| d) Normal capital expenditure:          | Rs. 141 million |

The Capital Work in Progress as on March 31, 2017, stood at Rs. 147 million as compared to Rs. 17 million last year. This includes intangible assets under development. The net block stood at Rs. 869 million as on March 31, 2017.

### Investments

At the year end, the investments stood at Rs. 6,195 million, which represents the value of holding in NIIT Technologies Limited. This has been classified as non-current investment. The value has increased as compared to last year due to addition of share of Associate Profit/reserve (net of dividend received) from NIIT Technologies Limited during the year.

### Deferred Tax Assets

At the year end, the deferred tax assets were Rs. 191 million. This is primarily due to the timing difference in amount of provisions carried in the financial statements and allowed on actual write-off as per the income tax provisions.

### Net Current Assets

The elements of net current assets were as follows:

#### ➤ Inventories

Inventory mainly comprises training materials including educational software used by the Company for imparting training and education. Over the year, the value of the inventory held by the Company decreased from Rs. 69 million in FY16 to Rs. 18 million in FY17.

#### ➤ Trade Receivables

The total receivables of the Company were at Rs. 2,576 million as on March 31, 2017, compared to Rs. 2,500 million as on March 31, 2016. Days sales outstanding improved sharply to 79 days in FY17 versus 91 days at the end of FY16. The improvement was driven by a continuing focus on working capital management across the business and due to collection of receivables from government projects.

Of the total, an amount of Rs. 16 million has been classified as non-current based on the due dates of debtors.

#### ➤ Cash and Bank

The cash and bank balances as on March 31, 2017, increased to Rs. 1,271 million compared to Rs. 887 million as on March 31, 2016. During the year:

- NIIT generated cash of Rs. 1,202 million from operations, as compared to Rs. 577 million in FY16. The increase is due to higher operating profit and reduction in Net Working capital.
- NIIT utilized Rs. 385 million for investment activities, sale / purchase of fixed assets & mutual funds as compared to Rs. 718 million in FY16.
- NIIT utilized Rs. 433 million for financing activities including payment of interest and dividend, repayment of debt, and proceeds of new debt versus net cash utilized of Rs. 164 million in FY16.

During the year, there was a negative impact due to exchange rate of Rs. 52 million on cash balance (positive impact of Rs. 49 million last year).

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

### ➤ Other Current Assets

Other Current Assets included interest receivable and unbilled revenue. The balance as on March 31, 2017, stood at Rs. 862 million, compared to Rs. 898 million in the previous year. Of this, Rs. 12 million has been classified as non-current. The increase in other current assets is primarily due to the addition in unbilled revenue and depreciation of Rupee.

### ➤ Loans and Advances

Loans and advances primarily included advances to suppliers, deferred expenses, rent advances, security deposits given for premises as well as advance tax paid. As of March 31, 2017, total loans and advances stood at Rs. 2,068 million compared to Rs. 1,998 million in March 31, 2016. Increase in loans and advances is primarily on account of capital advance toward purchase of offshore campus to address requirement of capacity expansion for the Corporate Learning business over the next few years.

Based on the realization time horizon of the loans and advances, an amount of Rs. 1,454 million has been classified as non-current.

### ➤ Sundry Creditors and Other Liabilities

Sundry Creditors and Other Liabilities have increased from Rs. 3,120 million in FY16 to Rs. 3,642 million in FY17. Other Current Liabilities consists of advances from customers, security deposits, deferred revenue, and other liabilities. The increase in Current Liabilities is on account of growth in CLG business, use of variable capacity for delivery, and impact of currency translation due to depreciation of INR on foreign currency payables.

### ➤ Provisions

The total provisions increased from Rs. 163 million in FY16 to Rs. 175 million in FY17.

### Accounting Policies

The Company has selected the accounting policies described in the notes to accounts, which have been consistently applied, 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 as on March 31, 2017, and of the profit or loss of the Company for that year. The significant accounting policies and practices followed by NIIT Limited are disclosed in Note 2.3 of the consolidated financial statements for the year.

### Related Party Transactions

Related Party transactions are defined as transactions of the Company of a material nature with Promoters, Directors or the Management, their subsidiaries, or other related parties who may have a potential conflict with the interest of the Company at large. There were no material transactions during the year under review that were prejudicial to the interests of the Company.

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.

### Human Resources

The Company is built on the foundation of people being the key driver for the growth of the organization. People are at the core of its Vision, which espouses mutual positive regard, career building, and opportunities for learning, thinking, innovation, and growth. The Company offers an environment where all-round development and career growth of people is as much of a goal as realization of profits for the company.

During FY17, the Company continued to focus on driving a performance culture through improved rigor in goal setting using the Balanced Score Card and a consistent review process. Leadership Development initiatives were continued through CEO's Leadership Circle, Trailblazers' Club & Creative Commandos at senior, middle, and junior management levels. Focused training interventions were made for the capability building of middle level managers. The Company initiated the Role Based Training & Certification with a ladder model for performance management and earnings for certain identified pivotal roles to ensure higher performance.

The Company continues to take initiatives to raise the quality of talent of fresh graduates, lateral intake and existing talent – through Campus drives, top management involvement in leadership hiring, refining job role descriptions, development and deployment of competence matrix for talent acquisition, and internal career movements. The Company is also going to focus on enhancing the rigor of leadership performance reviews and feedback process as a part of the overall plan to improve Talent Quality.

As of the year ending FY17, the people count stood at 2,342 (excluding fixed time project staff) with 65% percent in direct roles, 12% percent in Sales & Marketing roles, and the balance in indirect roles.

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

### Future Outlook

NIIT has successfully completed the Restructuring and Re-energization phases of the three phase transformation journey started in FY15, and is on its way into the Renewal phase. The Company has the strategy, execution roadmap, and leadership team in place to effect this transformation. NIIT Limited today has a strong foundation of values, a solid vision and strategy for the future, a confident and competent management team in place, a motivated and engaged workforce, and solid execution plans and capability to ensure sustainable growth and profitability into the future.

The following trends are expected to be drivers of the education and training segment globally:

- Agile business models and rapid technology change leading to high rate of obsolescence of today's skills
- Automation and Artificial Intelligence impacting the future of work and replacing routine jobs requiring low, repeatable skills
- Move to a "Gig" economy employing temporary workforce instead of full-time staff
- Continued increase in working age group population over the next two decades, especially in India and Africa
- Longer lifespans leading to more older people remaining in workforce for a longer period

The above trends would result in hyper competition for jobs and the need for constant reskilling and lifelong learning with a huge potential of digital technology to transform education & training delivery and outcomes. The Renewal phase of transformation involves new models for delivery and technology-based platforms to help build a sustainable momentum in growth and profitability for the Company.

➤ **Corporate Learning:** Corporate training opportunity is expected to see sustained growth as training outsourcing is increasingly being considered by large, global multinational companies. Positioned among the leading players, NIIT is expected to benefit from this trend driven by Managed Training Services. The Company has a demonstrated track record of managing comprehensive MTS engagements for its existing customers and is beginning to see new

opportunities that start out large versus scaling over a period of time. A recently acquired large MTS contract in Canada, with the Real Estate Council of Ontario (RECO), is an example of this trend. Any person who wants to become a registered real estate salesperson or broker in Ontario must complete RECO's Registration Education Program and obtain their registration. RECO has selected the Company as the Exclusive Designate to redesign, deliver, and maintain its flagship real estate education programs for professionals in the province of Ontario for a period of 5 years. CLG plans to leverage this capability and experience to accelerate growth through large sized annuity contracts.

CLG would continue to drive margin improvement through product mix change in favor of higher margin services and through productivity improvement in delivery operations despite sustained investments in innovation, advisory services, and sales and marketing. In addition, CLG would continue to explore inorganic opportunities to add new capabilities.



**Figure 9: Managed Training Services**

➤ **Skills & Careers:** DigiNxt and StackRoute initiatives launched last year have received a very encouraging response. StackRoute, which addresses the top layer of IT professionals and turns them into confident tech-IP creators, is enabling NIIT to work closely with the leading companies, including two of the top 5 IT services in India, for reskilling and upskilling opportunities of the

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

large IT workforce in the country. DigiNxt addresses the large scale opportunity for Digital Transformation needs of the IT industry. These two initiatives have helped the business overcome the impact of demonetization as well as the trend of decline in traditional IT training during the year. NIIT would expand its portfolio of programs in both DigiNxt and StackRoute in the coming years.



Beyond-IT programs are expected to resume growth with strong demand from both private and public sector banks. These programs have been made available to the entire network of company-owned and business partner centers, leading to a significant increase in revenue potential from these courses.

India and China would remain the focus markets to drive this growth.

The Company believes that while technology continues to play an increasing role in training delivery, a significant portion of paying students would continue to prefer blended learning programs with significant value-added services being delivered at a physical center. During the year, NIIT launched **training.com**, which would evolve into a comprehensive skills marketplace using a technology-based learning platform, which brings together learners, multiple training partners, and industry.

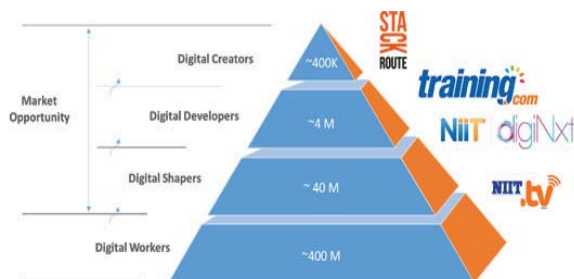


Figure 10: Digital Opportunity Landscape

➤ **School Learning:** NIIT's School Learning business, which is now housed in a separate subsidiary company, is beginning to see benefits of focus on IP-driven business. While the overall revenues of this business would decline in the near-term, as NIIT ramps down capex-driven and capital-intensive business models,

IP-led business is driving improvement in profitability. Another existing government schools contract would get over next year. Release of working capital would help with liquidity and improved ROCE profile of the business.

The business has built a strong momentum with new-age products in the nGuru product suite, including NIIT MathLab Plus, which are expected to drive growth and margin improvement for the business. The business has launched products such as Practice Plus, which is an assessment solution, and has demonstrated effectiveness with prototypes of learning style based masterly learning content solution. NIIT is working on creating an integrated learning platform with learning content, assessments, and learning diagnostics, which addresses the gap in the current EdTech offerings in the K-12 market.

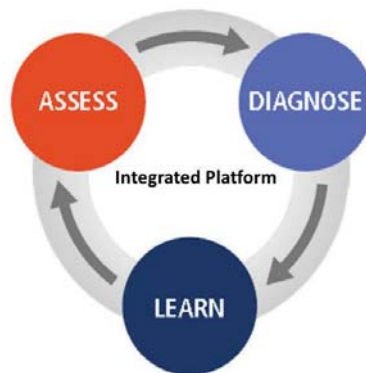


Figure 11: Integrated Learning Platform for K-12 Students

### Risk and Concerns

As a global enterprise, NIIT is exposed to a variety of risks across its different lines of business. NIIT has a put in place comprehensive and robust enterprise-wide risk management structure, to enable all the businesses to recognize risks in advance based on the key initiatives by business, so that appropriate and adequate mitigation plans can be worked out to ensure the goals are achieved. The risk management mechanism is an integral part of the Company's core process and involves recording, monitoring, independent testing, and controlling of the internal functions of the enterprise by way of establishing Risk Control Matrix (RCM) to ensure process control, Business Risk Management (BRM) framework for business objectives, and Entity level control (ELC) for a comprehensive risk reporting. The Company aims to

## MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

achieve an optimum balance between risk and reward, with the underlying objective of maximizing value for the shareholders.

The rapid changes in technology across the globe have necessitated a dynamic change in the Company's business and delivery models. As risk taking is an intrinsic part of all the businesses, it has been our constant endeavor to balance risk appetite in each line of business to ensure that each of the businesses generates high risk-adjusted returns. NIIT has taken proactive steps to identify and prioritize the risks upfront, document them in consultation with the business groups, and define the risk management framework.

The company has laid out internal controls over Financial Reporting to be followed by the Company. Such internal financial controls are adequate and operate effectively.

At entity level, NIIT's risk management framework addresses all the significant risks of the businesses as envisaged by the management from time to time, based on past experience, environment surrounding each business activity, and future initiatives, to achieve the business group's objectives along with relevant mitigation strategy. The mitigation strategy is simultaneously addressed by the respective business group for each of the identified risks, while finalizing strategic and operational parameters of the business. The compliances and assurance of the risk mitigation strategies are addressed by the Internal Audit and Assurance Group.

The company has identified the major and significant risks into two broad categories, External Risks and Internal Risks, with mitigation strategies of each.

The Company is well-diversified in terms of both its service offerings and geographic spread. The mix of revenue from the different business lines (Corporate Learning, Skills & Careers, and School Learning) ensures that the Company is well-positioned to manage slowdown in a particular product portfolio or in a specific geography. With the Enterprise Risk Management (ERM) process in place, the Company has a robust mechanism for risk management, and the strategies for risk management are reviewed by appropriate level at regular intervals.

### Internal Control Systems and Its Adequacy

The Company has adopted global practices for evaluating and reporting on internal controls, based on its operational experience in multiple countries. It has also implemented one of the leading ERP solutions in its global operations to integrate various facets of business operations including Human Resources, Finance, Logistics, and Sales. This has enabled the Company to control and monitor its worldwide operations and strengthen the ability of internal controls to function most optimally. The evaluation of internal controls is an integral part of the plan for Audit & Assurance Organization.

### Disclaimer

Statements in this management discussion and analysis describing the Company's views about the industry, objectives, projections, estimates, and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances, or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned as not to place undue reliance on the forward-looking statements as they speak only as of their dates. The MD&A should be read in conjunction with the Company's financial statements included herein and the notes thereto. Information provided in this MD&A pertains to NIIT Limited and its subsidiaries on a consolidated basis, unless otherwise stated.

Table 7: Risk Categories

External Risks	Internal Risks
Competition	Strategic: New & Existing Product/Customer/Geo
Financial Risk	Operational: Direct Selling
Reputation	Operational: Channel Management
Regulatory & Legal	Operational: Product and Service Delivery
Customer	Support Process: Information Technology

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interests and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by transparency, accountability and integrity. We consider stakeholders as partners in our success and committed to maximizing stakeholder's value, be it shareholders, employees, customers, vendors, governments, community at large. We believe following international practices, transparent disclosures and empowerment of stakeholders are as necessary as delivering solid financial results, for creating and sustaining value for shareholders and meeting expectations of customers and society.

NIIT's Corporate Governance systems provide fundamental framework to execute its business in line with business ethics. NIIT not only adheres to the prescribed Corporate Governance Practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) but is also committed to sound Corporate Governance principles and practices. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs. The Company has ensured stability in a dynamic environment and in challenging times.

Securities and Exchange Board of India (SEBI) has mandated the Corporate Governance standards for listed companies through Chapter IV of Listing Regulations. The Company continued to be in compliance with the

Corporate Governance standards of said Chapter IV, as referred above.

This Section along with the Section on Management Discussion & Analysis, provides reports on the Company's compliance with Schedule V of Listing Regulations.

### BOARD OF DIRECTORS

#### Composition of Board

Your Company is managed and guided by a professional Board comprising Executive, Non-Executive and Independent Directors. Presently the Board has seven Directors out of which four are Independent Directors, constituting more than half of the Board's total strength. The composition of the Board of Directors is in conformity with the provisions under Regulation 17 of Listing Regulations and the Companies Act, 2013 ("the Act"). The Directors are eminent persons with professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by Regulation 25 of the Listing Regulations and Section 149 of the Act. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Act, and its rules thereto. A Brief Profile of each director is available at <http://www.niit.com/india/training/about-niit/Pages/board-of-directors.aspx>.

The details of the Directors on the Board of the Company during the Financial Year 2016-17 including their attendance in Board Meetings and in the last Annual General Meeting, the number of Board and Board's Committee they are involved in as on March 31, 2017 are presented below:

Name of Director & DIN	Designation	Category	Attendance Particulars			No. of Directorships in other Companies*	No. of Memberships/ Chairpersonships in other Board's Committees**	
			No. of Board Meetings Under Tenure		Last AGM			
			Held	Attended				Member
Mr. Rajendra S Pawar (00042516)	Chairman	Promoter & Non-Executive Director	7	7	Yes	3	1	-
Mr. Vijay K Thadani (00042527)	Vice-Chairman and Managing Director	Promoter & Executive Director	7	7	Yes	5	4	1
Mr. P Rajendran (00042531)	Joint Managing Director	Executive Director	7	7	Yes	5	-	-
Mr. Surendra Singh (00003337)	Director	Non-Executive Independent Director	7	6	Yes	4	4	1
Mr. Sanjay Khosla (00981819)	Director	Non-Executive Independent Director	7	2	No	-	-	-
Mr. Anand Sudarshan (00827862)	Director	Non-Executive Independent Director	7	5	Yes	5	4	1
Ms. Geeta Mathur (02139552)	Director	Non-Executive Independent Director	7	7	Yes	9	9	3

\* Directorships do not include private companies, companies incorporated under Section 8 of the Act (corresponding Section 25 in the Companies Act, 1956) and companies incorporated outside India.

\*\* Board's Committees for this purpose includes only Audit committee and Stakeholders' Relationship Committee of public limited companies.

## CORPORATE GOVERNANCE REPORT(Contd.)

The Board's role, functions, responsibilities and accountability are clearly defined. The Board is provided with all requisite information as required for effective discharge of its duties and informed decision, including information as required under the Listing Regulation and the Act. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- Articulating the corporate philosophy and mission;
- Formulating strategic plans;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against strategic plans including overseeing operations;
- Ensuring ethical behaviour and compliance with laws and regulations;
- Reviewing and approving borrowing/lending, investment limits and exposure limits etc;
- Keeping Shareholders informed about plans, strategies and performance; and
- Ensuring full investor satisfaction.

### BOARD MEETINGS

There were Seven (7) Board Meetings held during the financial year 2016-17 (May 10, 2016, July 26, 2016, October 19, 2016, January 20, 2017, February 01, 2017, March 24, 2017 and March 29, 2017) and gap between two meetings did not exceed one hundred and twenty days.

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, to inter alia

Composition of these Committees as on March 31, 2017 are given hereunder:

Name of the Directors	Category	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Mr. R S Pawar	Non-Executive	-	Member	-	Member
Mr. Vijay K Thadani	Executive	Member	-	Member	Member
Mr. Surendra Singh	Independent	Member	-	Chairperson	Chairperson
Mr. Anand Sudarshan	Independent	Member	Member	Member	Member
Mr. Sanjay Khosla	Independent	-	Chairperson	Member	-
Ms. Geeta Mathur	Independent	Chairperson	Member	-	-

In addition, the Board has also constituted the following Committees of the Directors for efficient and quick decision-making on the affairs of the Company:

- The Operations Committee which approves the opening/closing of bank accounts, modification in operation of bank accounts, grant of power of attorney/authorization and such other operational matters.
- The Share Allotment Committee which approves allotment, split, consolidation, dematerialisation, rematerialisation and issue of new and duplicate share certificates.
- The Debenture Allotment Committee which approves the matters related to issue and allotment of Debentures and matters related thereto.
- The Borrowing Committee which approves the borrowing upto prescribed limits on behalf of the Company.

review the Financial Results. Besides these, additional Board meetings are convened to address any specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. All Directors on the Board are free to suggest any item for inclusion in the agenda for consideration of the Board.

During the year the Board of Directors was provided with the information as mentioned in Part A of Schedule II of Listing Regulations, as applicable, for its consideration.

### SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated under the provisions of the Act, and Listing Regulations, a separate meeting of the Independent Directors was held on January 21, 2017 to review the performance of Non- Independent Directors (including Chairman) and the Board as a whole. All the Independent Directors were present at the meeting. The Independent Directors reviewed the quality, content and timeliness of the flow of information between the Management, the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

### BOARD COMMITTEES

The Board has constituted the following Committees in accordance with the applicable provisions of the Act and Listing Regulations:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

### Audit Committee

The Company has a qualified and Independent Audit Committee in accordance with Regulation 18 of Listing Regulations and Section 177 of the Act. More than two-third of the members of the Committee are Independent Directors and each member has rich experience in the financial sector. The Company Secretary acts as Secretary to this Committee. Statutory Auditors, Internal Auditors and Senior Management Personnel of the Company also attend the meetings by invitation. The recommendations of the Audit Committee are placed before the Board for its consideration and approval.

The terms of reference of Audit Committee are in compliance of the provisions of the Act and Listing Regulations. The Committee also oversees the vigil mechanism, as required by the provisions of the Act.

Further, the Audit Committee considers such other matters as may be referred by the Board or required under law/Listing Regulations for time being in force.

The particulars of the meetings attended by the members of the Audit Committee and the date of the meetings held during the financial year 2016-17 are given below:

Name of Members	No. of Meetings		Dates of Meetings
	Held	Attended	
Ms. Geeta Mathur	7	7	May 09, 2016 July 25, 2016
Mr. Surendra Singh	7	6	October 18, 2016 January 19, 2017
Mr. Vijay K Thadani	7	7	February 01, 2017 February 27, 2017
Mr. Anand Sudarshan	7	4	March 24, 2017

### Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee in accordance with Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee is constituted to identify persons who are qualified to become directors or who may be appointed in senior management and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and to carry out evaluation of every director's performance. The Committee is also entrusted to frame policies and systems for Employees Stock Option Plans and to formulate and administer the Company's Employees Stock Option Plans from time to time.

The remuneration policy of the Company is aimed to reward performance, based on review of achievements on a regular basis.

The terms of reference of the Nomination and Remuneration Committee of the Company is in compliance of the Listing regulations and the Act.

The particulars of the meetings attended by the members of the Nomination and Remuneration Committee and the dates of the meetings held during the financial year 2016-17 are given below:

Name of Members	No. of Meetings		Dates of Meetings
	Held	Attended	
Mr. Sanjay Khosla	5	Nil	May 09, 2016
Mr. Rajendra S Pawar	5	5	June 16, 2016 July 25, 2016
Ms. Geeta Mathur	5	4	February 01, 2017
Mr. Anand Sudarshan	5	4	March 29, 2017

### Remuneration Policy

The Nomination and Remuneration Committee has the powers to determine and recommend to the Board the amount of remuneration, including performance-linked bonus and perquisites, payable to Directors, Senior Management and other employees. The recommendations of the Committee are based on the evaluation of the performance and other criteria, as laid down and as per the Company's Rules/Policies. In terms of the guidelines, the Company ensures that the remuneration payable to Managing Director and Whole-time Directors by way of salary including other allowances and monetary value of perquisites should be within the overall limit as specified under the Act, and approved by the Shareholders.

### Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. 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 expert advice to Board. The performance evaluation of Independent Directors was done by the entire Board of Directors. The performance evaluation of Chairman and Non-Independent Directors was

## CORPORATE GOVERNANCE REPORT (Contd.)

carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### Stakeholders' Relationship Committee

The Company has a duly constituted Stakeholders' Relationship Committee in accordance with Regulation 20 of Listing Regulations and Section 178 of the Act. The Committee was constituted to ensure that all commitments to stake holders and investors are met and thus strengthen their relationship with the Company. The functions and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- To consider and resolve the grievances of security holders of the Company.
- To review the important circulars issued by SEBI/ Stock Exchanges.
- To review changes in the shareholding pattern.
- To take note of the compliance of Corporate Governance during the quarter/year.

The particulars of the meetings attended by the members of the Stakeholders' Relationship Committee and the dates of the meetings held during the financial year 2016-17 are given below:

Name of Members	No. of Meetings		Dates of Meetings
	Held	Attended	
Mr. Surendra Singh	4	4	May 09, 2016
Mr. Vijay K Thadani	4	4	July 25, 2016
Mr. Anand Sudarshan	4	4	October 18, 2016
Mr. Sanjay Khosla	4	2	January 19, 2017

During the financial year 2016-17, the Company has received a few requests/queries/complaints from Shareholders/Investors relating to non-receipt of declared dividend/ bonus shares/Annual Report, change of bank account details, transfer of shares/ dematerialization, etc. The same were addressed and resolved to the satisfaction of the Shareholders/ Investors. The break-up of the letters received from the Shareholders/Investors are provided in Shareholders' Information section at the end of this Report. As on March 31, 2017, no request/ query/complaint was pending for redressal.

### Corporate Social Responsibility (CSR) Committee

In compliance with the requirement of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, the Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). Mandate

of the Committee is in compliance with the provisions of the Act and rules thereto. The CSR Policy of the Company has been formulated and recommended by the CSR Committee and approved by the Board of Directors.

## REMUNERATION TO DIRECTORS

### Executive Directors

Details of Remuneration paid to Executive Directors for the financial year 2016-17 are as under:

(Amount in Rs.)

Particulars	Mr. Vijay K Thadani Vice Chairman & Managing Director	Mr. P Rajendran Joint Managing Director	Total
Salary	7,224,000	5,028,000	12,252,000
Perquisites and allowances	4,776,000	6,972,000	11,748,000
Contribution to Provident Fund, Superannuation Fund or Annuity Fund	3,563,937	2,492,652	6,056,589
Performance-Linked Bonus	-	-	-
<b>Total</b>	<b>15,563,937</b>	<b>14,492,652</b>	<b>30,056,589</b>

Notes:

1. Service Contract of Executive Directors: Until cessation in service
2. Notice period: Six months unless otherwise agreed by the Board
3. Severance fee: None unless otherwise agreed by the Board

### Non-Executive Independent Directors

The Non- Executive Directors play an important role in the Governance of the Company and in advising the Board in critical domains like finance, marketing, remuneration, planning and legal matters. Non-Executive Independent Directors do not have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, its subsidiary companies and associate companies, except the remuneration paid to Non-Executive Independent Directors. The Non-Executive Independent Directors are paid sitting fees (for attending the meetings of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee). The Company from time to time also decides to pay Commission to Non-Executive Independent Directors (based on the net profits of the Company and within the

## CORPORATE GOVERNANCE REPORT (Contd.)

limits approved by the shareholders) in compliance with the applicable provisions of the Act.

Details of sitting fees paid to Non-Executive Independent Directors for the financial year 2016-17 are as under:

Name of Director	Amount in Rs.*
Mr. Surendra Singh	1,120,000
Mr. Sanjay Khosla	240,000
Mr. Anand Sudarshan	1,040,000
Ms. Geeta Mathur	1,280,000
<b>TOTAL</b>	<b>3,680,000</b>

\*pertains to financial year 2016-17, however paid in financial year 2017-18.

Mr. Rajendra S Pawar holds 584,853 equity shares in the Company (including 155,000 equity shares as first holder with spouse, 427,326 equity shares as second holder with spouse and 2,527 equity shares as Karta of HUF). Mr. Sanjay Khosla holds 56,250 equity shares in the Company. No other Non-Executive Director of the Company holds any share in the Company as on March 31, 2017.

No Stock Options were granted to Non-Executive Directors under NIIT ESOP-2005 during the financial year ended March 31, 2017.

### Re-appointment of Directors

In terms of Section 149 and other applicable provisions of the Act, all Independent Directors of the Company were appointed for a period of five years at the Annual General Meeting of the Company held on July 7, 2014. Further, Board has evaluated the performance of all Independent Directors of the Company and continued the term of their appointment.

As per the provisions of Section 152 of the Act, Mr. Vijay K Thadani retires by rotation at the forthcoming Annual General Meeting of the Company and relevant details are provided in the Notice to the 34<sup>th</sup> Annual General Meeting.

### CODE OF CONDUCT

The Board of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's website <http://www.niit.com/india/training/investors/Pages/corporate-governance.aspx>. Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year

2016-17. A declaration signed by the Chief Executive Officer to this effect is annexed to this Report.

### PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment, through a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The terms and conditions of the appointment are also placed on the website of the Company. All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates. The Company extends all support and assistance required in order to facilitate the Independent Directors to meet / interact with the Business Heads/ members of the Senior Management team as and when desired by them. Presentations are made regularly at the meetings of the Board of Directors of the Company, the Audit Committee and the Nomination & Remuneration Committee, by the Senior Management in relation to the performance of the Company, quarterly and annual results, business strategies, business outlook, various policies, review of internal audit and risk management framework, operations of the Company and its subsidiaries, Business model and strategy of the Company, amendments in applicable laws etc. The calendar of Board Meetings of the Company is scheduled in advance and appropriate notice is being served for convening Board meetings. The minutes of the meetings of various committees of the Company and minutes of Board meetings of subsidiary companies are periodically circulated to the Board. All the relevant developments relating to the Company are informed to the Board as and when deemed necessary. Detailed Familiarization Program imparted to Independent Directors is available on Company's website <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>.

### CEO AND CFO CERTIFICATION

In terms of Regulation 17(8) of the Listing Regulations, Certificate issued by Chief Executive Officer and Chief Financial Officer confirming that the Financial Statement present the true and fair view of the Company's affairs and are in compliance with existing accounting standards, internal control and disclosures, is annexed to this Report.

## CORPORATE GOVERNANCE REPORT (Contd.)

### GENERAL MEETINGS

Details of the last three Annual General Meetings (AGM) are:

Financial Year	Day, Date & Time	Location	Special Resolution(s)
2015-16	Monday, August 01, 2016 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	No Special Resolution passed in the AGM
2014-15	Tuesday, September 08, 2015 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	No Special Resolution passed in the AGM
2013-14	Monday, July 07, 2014 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	1. Approval for Payment of Remuneration to Mr. P Rajendran, COO & Whole-time Director of the Company for Financial Year 2013-14 2. Approval for Payment of Commission to Non-Executive Directors of the Company for financial year 2013-14 3. Approval for Payment of Remuneration to Mr. Rajendra S Pawar, Chairperson & Managing Director of the Company. 4. Approval for re-appointment of Mr. Vijay K Thadani as CEO & Whole-time Director of the Company 5. Approval for re-appointment of Mr. P Rajendran as COO & Whole-time Director of the Company.

#### Book closure dates:

2015-16 – July 23, 2016 to August 1, 2016 (both days inclusive)

2014-15 - August 31, 2015 to September 8, 2015 (both days inclusive)

2013-14 – June 28, 2014 to July 7, 2014 (both days inclusive)

No Extra-ordinary General Meeting was held during the last three years

### POSTAL BALLOT

During the financial year 2016-17 no resolution was passed through postal ballot.

### DISCLOSURES

#### a) Related Party Transactions

The Company's major related party transactions are generally with its subsidiary and associate companies.

The related party transactions are entered into based on the considerations of various business exigencies and Company's long term strategy. All the transactions entered during the financial year 2016-17 with related parties were on arms' length basis and the same are reported under notes to the financial statement.

All related party transactions are regularly/periodically reviewed and approved / ratified by the Audit Committee/ Board. For details please refer Note No.36 of the financial statement (Standalone) of the Company.

#### b) Compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities 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 Exchanges or SEBI or any Statutory Authority(ies) relating to the above.

#### c) Vigil Mechanism / Whistle Blower Policy

In view of the requirement of Section 177 of the Act and Regulation 22 of Listing Regulations, the Company has a Whistle Blower Policy duly approved by the Audit Committee to report the concerns about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The employees and directors may report to the Compliance Officer and have direct access to the Chairperson of the Audit Committee. The Policy is available on the Company's website <http://www.niit.com/authoring/Documents/Other%20Disclosures/Whistle%20Blower%20Policy.pdf>

#### d) Risk Management

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. The Company in its Audit Committee and Board Meeting and at various levels reviews the risk and recommends the risk mitigation mechanism for business of the Company.

#### 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 2016-17.

#### f) Inter-se relationship between Directors

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

## CORPORATE GOVERNANCE REPORT (Contd.)

- g) Policy for determining 'material' subsidiaries is available on Company's website <http://www.niit.com/authoring/Documents/Other%20Disclosures/Policy%20for%20determining%20Material%20Subsidiaries.pdf>.
- h) Policy on dealing with related party transactions is available on Company's website - <http://www.niit.com/authoring/Documents/Other%20Disclosures/Related%20Party%20Transactions%20Policy.pdf>
- i) Policy on Corporate Social Responsibility is available on Company's website- <http://www.niit.com/authoring/Documents/Other%20Disclosures/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>
- j) Archival Policy is available on Company's website - <http://www.niit.com/authoring/Documents/OtherDisclosures/ArchivalPolicy.pdf>
- k) Policy on determination of material/price sensitive information is available on Company's website- <http://www.niit.com/authoring/Documents/OtherDisclosures/PolicyonMaterialityofEvents.pdf>

### COMPLIANCE WITH MANDATORY AND NON MANDATORY REQUIREMENTS OF THE LISTING REGULATIONS

#### A. Mandatory Requirements

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

#### B. Non-mandatory Requirements

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

##### a) The Board:

The Non-executive Chairperson's Office is maintained at Company's expense. He is also entitled for reimbursement of any expenses incurred for performance of his duties.

##### b) 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 statement along with Directors' Report and Auditors' Report to all the shareholders every year. These are also posted on Company's website i.e. [www.niit.com](http://www.niit.com).

##### c) Modified Opinion(s) in Audit Report:

The Company has financial statement with unmodified audit opinion (for both standalone and consolidated)

for the financial year ended on March 31, 2017

##### d) Separate posts of Chairperson and CEO:

During the year 2016-17, the Company continued to have separate persons in the post of Chairperson and CEO.

##### e) Reporting of Internal Auditor:

The Internal Auditor of the Company reports to the Audit Committee.

#### C. Code for prevention of Insider -Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The said Code(s) lay down guidelines for fair disclosure of unpublished price sensitive information and advises the persons covered under the Code(s) on procedures to be followed and disclosures to be made, while dealing with shares of NIIT and cautioning them of the consequences of violations. The Code is available on Company's website- <http://www.niit.com/india/training/investors/pages/corporate-governance.aspx>.

#### D. Accounting Treatment in preparation of Financial Statement

These financial statement have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention except for assets and liabilities stated at fair values pursuant to a Scheme of Arrangement. Pursuant to the section 133 of the Act, read with the Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statement 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 Act.

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

### E. Statutory Compliance

The Company has a system in place whereby Chief Executive Officer/Chief Financial Officer/Compliance 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 including tradenames/service marks/trademarks/ patents/ copyrights, etc., belonging to the Company.

### DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has set up an Internal Complaints Committee (ICC) for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace, consisting of the following members:

Ms. Susmita Pruthi, [SusmitaP@niit.com](mailto:SusmitaP@niit.com), Presiding Officer

Ms. Rakhi Sharma, [Rakhi.Sharma@niit.com](mailto:Rakhi.Sharma@niit.com), Member

Ms. Suja Ajith, [SujaA@niit.com](mailto:SujaA@niit.com), Member

Ms. Mahima Chawla, [Mahima.Chawla@niit.com](mailto:Mahima.Chawla@niit.com), Member

Mr. Arjun Shankar, [ArjunS@niit.com](mailto:ArjunS@niit.com), Member

Mr. Deepak Bansal, [Deepak.bansal@niit.com](mailto:Deepak.bansal@niit.com), Member

Ms. Sadhana Chopra/Ms. Gayatri Prakash, Members (nominated by Sakaar Outreach, NGO)

The ICC has not received any complaint of sexual harassment during the financial year 2016-17.

### MEANS OF COMMUNICATION

a. The quarterly / half yearly / annual results during the year were published in the national English and Hindi Newspapers and displayed on the website of the Company <http://www.niit.com/investorrelations/Pages/InvestorRelations.aspx>. Official news releases, Financial Results, Consolidated news releases, Consolidated financial highlights and presentations etc. are also displayed at the Company's website.

b. During the financial year 2016-17, the Company published its financial results in the following newspapers:

Financial Results	Newspapers	Date of publication
Audited Financial Results for the quarter/year ended March 31, 2016	Financial Express (English) Jansatta (Hindi)	May 11, 2016
Unaudited Financial Results for the quarter ended June 30, 2016	Financial Express (English) Jansatta (Hindi)	July 27, 2016
Unaudited Financial Results for the quarter ended September 30, 2016	Financial Express (English) Jansatta (Hindi)	October 20, 2016
Unaudited Financial Results for the quarter ended December 31, 2016	Financial Express (English) Jansatta (Hindi)	January 21, 2017

- c. Quarterly Investor's teleconferences and press conferences were held on May 10, 2016, July 26, 2016, October 19, 2016 and January 20, 2017 for the Investors of the Company immediately after the declaration of quarterly/ annual results. All official press releases, presentations to analysts and institutional investors are also available on the Company's website. In addition to uploading the same on the website of the Company, the press releases/ presentations are sent to the Stock Exchange for dissemination.
- d. The management perspective, business review and financial highlights are part of the Annual Report.
- e. The quarterly Shareholding Patterns are also displayed on the Company's website.

### SHAREHOLDERS' INFORMATION

#### a. Company Registration Details

The Company is registered in the National Capital Territory of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L74899DL1981PLC015865.

#### b. Annual General Meeting

**Date :** September 22, 2017

**Time :** 10:00 A.M.

**Venue:** The Ocean Pearl Retreat,  
Chattarpur Mandir Road,  
Satbari, New Delhi – 110 074

- c. **financial year :** April 01, 2017 to March 31, 2018  
Financial Calendar (tentative and subject to change):

Financial reporting for the first quarter ending June 30, 2017	By August 14, 2017
Financial reporting for the second quarter ending September 30, 2017	By November 14, 2017
Financial reporting for the third quarter ending December 31, 2017	By February 13, 2018
Financial reporting for the year ending March 31, 2018	By May 30, 2018
Annual General Meeting for the year ending March 31, 2018	By September 30, 2018

## CORPORATE GOVERNANCE REPORT (Contd.)

### d. Listing of Equity Shares

The Equity Shares of the Company are listed at the National Stock Exchange of India Limited (NSE), Mumbai and BSE Limited (BSE), Mumbai. The listing fees for the financial year 2017-18 have been paid to the Stock Exchanges.

### e. Stock Code

Trading symbol on the NSE	NIITLTD
Trading symbol on the BSE (Scrip Code)	NIIT (500304)
ISIN No. of Equity Shares at NSDL/CDSL	INE 161A01038

### f. Stock Market Data

The monthly high and low share prices and market capitalization of equity shares of the Company traded on BSE and NSE from April 01, 2016 to March 31, 2017 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 financial year April 01, 2016 to March 31, 2017

Month	BSE Limited (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-16	25,607	88.00	78.00	13,788	7,850	88.20	78.00	13,819
May-16	2,668	87.40	77.20	12,877	8,160	87.35	77.20	12,876
Jun-16	27,000	89.65	77.75	14,262	8,288	89.70	77.60	14,252
Jul-16	28,052	90.90	82.30	13,818	8,639	90.85	82.30	13,838
Aug-16	28,452	98.25	75.40	15,346	8,786	98.25	72.50	15,370
Sep-16	27,866	107.80	90.00	15,743	8,611	107.95	90.00	15,777
Oct-16	27,930	100.20	83.60	14,230	8,626	100.15	83.65	14,223
Nov-16	26,653	87.80	67.00	12,589	8,225	87.80	69.10	12,578
Dec-16	26,626	84.00	75.35	13,285	8,186	83.95	75.20	13,291
Jan-17	27,656	90.00	74.10	12,340	8,561	89.80	77.00	12,324
Feb-17	28,743	79.65	71.85	12,375	8,880	78.95	71.80	12,390
Mar-17	29,621	85.50	72.00	13,942	9,174	85.50	72.00	13,956

\* Market capitalization at closing price of the month

Source: BSE & NSE websites.

### g. Unclaimed/Unpaid Dividend

Pursuant to Section 124 and other applicable provisions of the Act, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government under the provisions of Section 125 of the Act. All unclaimed/unpaid dividend due for the financial year ended up to March 31, 2009 have been transferred to

the Investor Education and Protection Fund of the Central Government pursuant to Section 125 of the Act (erstwhile Section 205A of the Companies Act 1956). The details of unpaid /unclaimed dividend for past years are available on the website of the company at <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>.

The unpaid /unclaimed dividend for the financial year ending March 31, 2010 is due for transfer to IEPF pursuant to the provisions of Section 125 of the Act and no claim shall lie against the Company after the said transfer.

Further, pursuant to the provisions of Section 124 (6) of the Act read with the rules thereto any shares in respect of which dividend has not been paid or claimed by the shareholder for seven consecutive years or more, shall be transferred to IEPF Suspense Account. The Company has sent intimation letters in this regard and request the shareholders to claim their dividend at the earliest.

### h. Unclaimed Shares

As per SEBI Circular CIR/CFD/DIL/10/2010 dated December 16, 2010 read with Clause 5A of the erstwhile Listing Agreement, the Company has opened Unclaimed Suspense Account i.e. "NIIT Limited - Unclaimed Suspense Account" with Alankit Assignments Limited and the unclaimed shares lying with the Company have been dematerialized and credited to "NIIT Limited - Unclaimed Suspense Account". The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. The status of unclaimed shares as per Regulation 39 of Listing Regulations for the year ended March 31, 2017 is as under:

S. No.	Particulars	No. of Shareholders	No. of Shares
i.	Balance in Unclaimed Suspense Account at the beginning of the year	190	129,516
ii.	Request for claim received during the year	2	1,680
iii.	Request for claim processed/completed during the year	2	1,680
iv.	Balance in Unclaimed Suspense Account at the end of the year	188	127,836

### i. Nomination Facility

The Act has provided for a nomination facility to the Shareholders of the Company. The Company

## CORPORATE GOVERNANCE REPORT (Contd.)

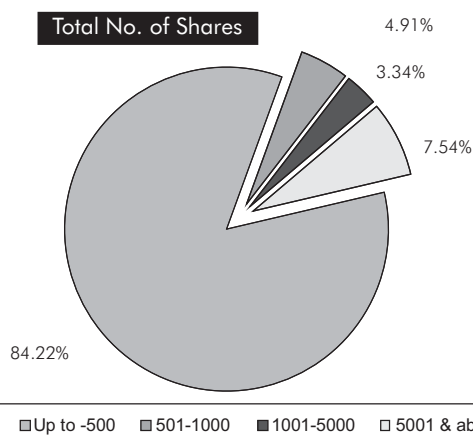
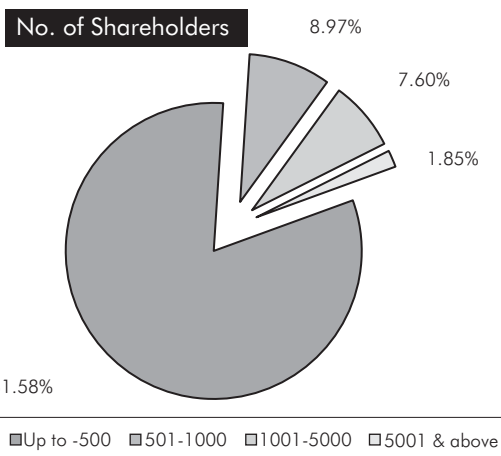
is pleased to offer the facility of nomination to shareholders, who may avail this facility by sending the duly completed form to the Registered Office of the Company/ Registrar and Transfer Agent of the Company in case the shareholding is in physical form. The shareholders may obtain a copy of the said form from the Registered Office of the Company or can download it from the website of the Company at <http://www.niit.com/india/training/investors/Pages/investor-services.aspx>. In case of demat holdings, the request may be submitted to the Depository Participant.

### j. Compliance Certificate

Certificate obtained from the Practising Company Secretary, 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.

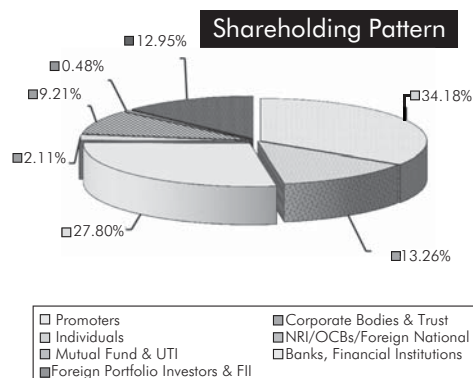
### k. Details of distribution of shareholding of the equity shares of the Company, by size and ownership as on March 31, 2017, are given hereunder:

Range (No. of Equity Shares held)	No. of Shareholders	% to Total Shareholders	Total No. of Shares	% to Total Shares
Up to 500	62,302	81.58	8,142,364	4.91
501-1000	6,853	8.97	5,530,629	3.34
1001-5000	5,804	7.60	12,490,531	7.54
5001 & above	1,411	1.85	139,586,362	84.22
<b>TOTAL</b>	<b>76,370</b>	<b>100.00</b>	<b>165,749,886</b>	<b>100.00</b>



### Shareholding Pattern as on March 31, 2017

Category	No. of Shares held (face value of Rs.2/- each)	% of total shareholding
<b>Promoters' Shareholding</b>		
Indian Promoters	56,651,935	34.18
Foreign Promoters	-	-
<b>Total Promoters' Holding</b>	<b>56,651,935</b>	<b>34.18</b>
<b>Public Shareholding</b>		
Mutual Fund and UTI	15,273,450	9.21
Banks, Financial Institutions & Insurance Companies	7,99,467	0.48
Foreign Portfolio Investors/ Foreign Institutional Investors	21,466,782	12.95
NRI/Foreign Individuals	3,495,922	2.11
Private Corporate Bodies & Trust	21,984,314	13.26
Indian Public	46,078,016	27.80
<b>Total Public Shareholding</b>	<b>109,097,951</b>	<b>65.82</b>
<b>Grand Total</b>	<b>165,749,886</b>	<b>100.00</b>



## CORPORATE GOVERNANCE REPORT (Contd.)

### I. Details of requests/ queries / complaints received and resolved during the Financial Year 2016-17

Nature	Request/ queries received	Complaints Received	Resolved	Unresolved
	Nos.	Nos.	Nos.	Nos.
Change of address	10	-	10	-
Change of bank details	10	-	10	-
Correction in Dividend Warrants and issuance of Demand Drafts	47	-	47	-
Dividend not received	-	10	10	-
Legal Matters-Shares related	8	-	8	-
Non Receipt of Annual report	-	1	1	-
Request for Annual Report	83	-	83	-
Request for bonus shares	12	-	12	-
Request for duplicate share certificates	9	-	9	-
Request for e-voting password	9	-	9	-
Request for shareholding details	2	-	2	-
Share certificates lodged for transfer	10	-	10	-
Miscellaneous-IEPF Claim	29	-	29	-
<b>Total</b>	<b>229</b>	<b>11</b>	<b>240</b>	<b>-</b>

There was no request/query/complaint pending at the beginning of the year. During the Financial year, the Company resolved 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.

#### m. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

As on date there are no outstanding warrants / bonds /other instruments (except Stock Options granted under NIIT ESOP-2005, the details of which are given in Board's Report) which are convertible into equity shares.

#### n. Commodity price risk or foreign exchange risk and hedging activities

During the financial year 2016-17 the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The

details of foreign currency exposure are disclosed in Notes Nos. 32 to 34 of the financial statement of the Company.

#### o. Dematerialisation of Equity Shares and Liquidity

The equity shares of the Company are compulsorily traded in dematerialised form on NSE and BSE. The Company has arrangements with both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scripless trading. As on March 31, 2017, 99.48% shares of the Company were held in dematerialised form.

#### p. Consolidate multiple folios

Investors are encouraged to consolidate their shareholding held in multiple folios. This would facilitate one stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

#### q. Share Transfer System

The Company has appointed a common Registrar for the physical share transfer and dematerialisation of shares. The shares lodged for physical transfer/ transmission/ transposition are registered normally within a period of fortnight, if the documents are complete in all respects. For this purpose, the Share Transfer Committee meets as often as required. During the financial year under review, the Committee met 17 times. Adequate care is taken to ensure that no transfers are pending for more than a fortnight. Requests for demat/remat were confirmed mostly within a fortnight. The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

#### r. Permanent Account Number for transfer of shares in physical form

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy

## CORPORATE GOVERNANCE REPORT (Contd.)

of PAN card to the Registrar of the Company for registration of such transfer of shares. Accordingly, shareholders are requested to furnish copy of PAN card for registration of transfer of shares in their name.

**s. Compliance Officer**

Mr. Deepak Bansal, Company Secretary is the Compliance Officer of the Company.

**t. Designated exclusive email-ID:**

The Company has designated an email-ID "investors@niit.com" exclusively for Shareholders and Investors to correspond with the Company.

**u. Registrar for Dematerialisation and Physical Transfer of Shares**

The Company has appointed a Registrar for dematerialisation (Electronic Mode) and physical transfer of shares whose detail is given below:-

Alankit Assignments Limited

Unit-NIIT Limited

Alankit Heights, 1E/13, Jhandewalan Extension,  
New Delhi – 110 055.

Tel Nos. : +91 11 4254 1234, 2354 1234

Fax: +91 11 4254 1967

E-Mail: [rta@alankit.com](mailto:rta@alankit.com)

**v. Registered Office:**

NIIT Limited,

8, Balaji Estate, First Floor, Guru Ravi Das Marg,  
Kalkaji, New Delhi - 110 019, India

Tel Nos. : +91 11 4167 5000

Fax: +91 11 4140 7120

E-Mail: [investors@niit.com](mailto:investors@niit.com)

**w. Address for Correspondence**

The Shareholders may address their communication/ suggestions/ grievances /queries relating to the shares of the Company to:

The Company Secretary

& Compliance Officer

NIIT Limited

Investor Services

8, Balaji Estate, First Floor, Guru Ravi Das Marg,  
Kalkaji, New Delhi - 110 019, India

Tel Nos. : +91 11 4167 5000

Fax: +91 11 4140 7120

E-Mail: [investors@niit.com](mailto:investors@niit.com)

The Corporate Governance Report was adopted by the Board of Directors at their meeting held on May 17, 2017 as a part of Board's Report.

### CERTIFICATES UNDER CORPORATE GOVERNANCE REPORT

**A. Certificate relating to compliance with the Code of Conduct by Board Members and Senior Management Personnel pursuant to Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

This is to certify that as per Schedule V of the SEBI (Listing Obligations and Disclosures 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 financial year 2016-17.

Place: Gurugram  
Date : May 17, 2017

**Rahul Keshav Patwardhan**  
Chief Executive Officer

**B. Certificate by Chief Executive Officer and Chief Financial Officer pursuant to Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

To,  
The Board of Directors,  
NIIT Limited  
8, Balaji Estate, First Floor,  
Guru Ravi Das Marg,  
Kalkaji, New Delhi- 110019

We hereby certify that for the Financial Year 2016-17:

1. We have reviewed the financial statement and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (a) These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - (b) These statement 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 financial year 2016-17 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:
  - Significant changes, if any, in internal control over financial reporting during this year;
  - Significant changes, if any, in accounting policies during this year and that the same have been disclosed in the notes to the financial statement; and
  - 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.

Place: Gurugram  
Date: May 17, 2017

**Rahul Keshav Patwardhan**  
Chief Executive Officer

**Amit Roy**  
Chief Financial Officer

### CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members of NIIT Limited,

We have examined the compliance of conditions of Corporate Governance by NIIT Limited ("**the Company**") for the year ended 31<sup>st</sup> March, 2017, as stipulated in the Chapter IV read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 statement of the Company.

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

We further 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.

For Nityanand Singh & Co.  
Company Secretaries

Nityanand Singh  
Proprietor  
FCS No. 2668, CP No. 2388

Place: New Delhi  
Date: May 17, 2017

## INDEPENDENT AUDITORS' 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, 2017, 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.

#### Auditors' 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, 2017, and its loss 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 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, 2017 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, 2017 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, 2017.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures in Note 42 of the attached standalone financial statements are in accordance with books of account maintained by the Company. However, we are unable to obtain sufficient and appropriate audit evidence to report on the disclosures in respect of denomination of currency notes aggregating Rs. 5,792,380.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Place: Gurugram  
Date: May 17, 2017

Anupam Dhawan  
Partner  
Membership Number 084451

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph 10(f) 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, 2017**

### **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, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Anupam Dhawan  
Partner  
Membership Number 084451

Place: Gurugram  
Date: May 17, 2017

## 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, 2017**

- 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 noted 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 aggregating Rs. 29,700,000, which were granted in previous year to one of its wholly owned subsidiary as referred to in clause (iii), were extended in the earlier years. The outstanding loan had been fully provided for in the books of account in earlier years and have since been repaid during the year.
- (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.
- 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, duty of customs, value added tax 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 and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax (including works contract tax) and as at March 31, 2017 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
Andhra Pradesh General Sales Tax Act, 1957	Works contract tax	31,318,455	2001-2004	Supreme Court of India
Central Sales Tax Act, 1956	Sales tax	22,287,390	June 2005 to November 2011	Appellate Deputy Commissioner (A), Hyderabad
Customs Act, 1962	Custom duty	4,798,907	2012-2013 and 2013-2014	Directorate of Revenue Intelligence, Jaipur
Bihar VAT Act, 2005	Value added Tax	5,078,637	2011-2012	Additional Commissioner, Commercial Tax, Patna
Income Tax Act, 1961	Income tax	408,000	2004-2005	Income Tax Appellate Tribunal
		3,087,591	2008-2009	Income Tax Appellate Tribunal
		20,386,790	2009-2010	Commissioner Income Tax (Appeal)

- 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) and term loans.
- 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 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: Gurugram  
Date: May 17, 2017

# NIIT LIMITED

# NIIT

## BALANCE SHEET as at March 31, 2017

	Note	As at March 31, 2017 (Rs. Million)	As at March 31, 2016 (Rs. Million)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	331.51	331.01
Reserves and Surplus	4	7,752.75	7,786.12
		<u>8,084.26</u>	<u>8,117.13</u>
Share Application money pending allotment		2.22	-
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	1,419.82	1,661.08
Other Long-Term Liabilities	8	10.59	39.88
Long-Term Provisions	9	3.08	3.42
		<u>1,433.49</u>	<u>1,704.38</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	164.00	85.00
Trade Payables	7		
-Total outstanding due of micro and small enterprises		0.01	0.22
-Total outstanding due of creditor other than micro and small enterprises		491.34	670.21
Other Current Liabilities	8	837.62	642.44
Short-Term Provisions	9	120.92	111.55
		<u>1,613.89</u>	<u>1,509.42</u>
<b>TOTAL</b>		<u>11,133.86</u>	<u>11,330.93</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	10		
-Tangible Assets		388.66	398.03
-Intangible Assets		167.73	253.04
-Intangible Assets under Development		100.28	13.90
Non-Current Investments	11	7,611.82	7,423.11
Deferred Tax Assets (net)	12	103.78	103.78
Long-Term Loans and Advances	13	1,279.56	1,186.91
Other Non-Current Assets	16	0.12	0.12
		<u>9,651.95</u>	<u>9,378.89</u>
<b>Current Assets</b>			
Inventories	17	8.72	44.93
Trade Receivables	14	999.31	1,205.85
Cash and Bank Balances	18	228.22	135.39
Short-Term Loans and Advances	13	138.75	487.84
Other Current Assets	16	106.91	78.03
		<u>1,481.91</u>	<u>1,952.04</u>
<b>TOTAL</b>		<u>11,133.86</u>	<u>11,330.93</u>

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

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

Place : Gurugram  
Date : May 17, 2017

## STATEMENT OF PROFIT & LOSS for the year ended March 31, 2017

	Note	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>Income</b>			
Revenue from Operations	21	3,662.86	3,814.49
Other Income	22	425.34	404.17
<b>Total Revenue</b>		<b>4,088.20</b>	<b>4,218.66</b>
<b>Expenses</b>			
Purchase of Traded Goods		88.44	265.47
(Increase)/ Decrease in Inventory	17	36.21	(17.74)
Employee Benefits Expense	23	1,482.38	1,385.60
Professional & Technical Outsourcing Expenses		709.02	661.44
Finance Costs	26	226.16	195.26
Depreciation and Amortisation Expense	10	240.03	282.37
Other Expenses	27	1,390.26	1,461.50
<b>Total Expenses</b>		<b>4,172.50</b>	<b>4,233.90</b>
<b>Profit/ (Loss) before Exceptional items and Tax</b>		<b>(84.30)</b>	<b>(15.24)</b>
Exceptional items (Net)	29	39.35	21.88
<b>Profit/ (Loss) before tax</b>		<b>(44.95)</b>	<b>6.64</b>
<b>Tax expense:</b>			
-Current Tax		10.44	5.96
-Reversal of provision for tax relating to earlier years		(4.69)	(0.41)
<b>Profit/ (Loss) for the year</b>		<b>(50.70)</b>	<b>1.09</b>
<b>Earnings/ (Loss) per Equity Share (Face Value Rs. 2/- each):</b>	35		
-Basic		(0.31)	0.01
-Diluted		(0.31)	0.01

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

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

Place : Gurugram  
Date : May 17, 2017

## CASH FLOW STATEMENT for the year ended March 31, 2017

	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before Exceptional items and Tax	(84.30)	(15.24)
Add/ (Less):		
Depreciation and Amortisation	240.03	282.37
Provision for Doubtful Debts	58.07	21.46
Provision for Unbilled Revenue	0.25	2.54
Provision for Doubtful Advances	0.38	0.66
Bad Debts Written off	1.01	-
Advances Written off	0.10	2.20
Provision for Slow/ Non-moving Inventory (Net)	14.75	7.70
Inventory Written off/ (Reversal)	-	(13.33)
Unrealised Foreign Exchange (Gain)/ Loss	(16.14)	8.30
Finance Cost	226.16	195.26
Interest Income	(73.35)	(31.80)
Dividend Income from Long term investment		
(Associate)	(144.93)	(137.69)
Loss/ (Profit) on sale of Fixed Assets	(3.63)	(3.82)
Dividend Income from Current Investments	-	(0.12)
Profit on Sale of Current Investment	(0.03)	(0.57)
Provision/ Other Liabilities Written Back	(5.47)	(40.13)
	297.20	293.03
<b>Operating Profit before Working Capital Changes</b>	<b>212.90</b>	<b>277.79</b>
Add/ (Less): Changes in Operating Working Capital:		
Increase/ (Decrease) in Trade Payables	(173.74)	79.65
Increase/ (Decrease) in Short Term Provisions	9.37	0.29
Increase/ (Decrease) in Long Term Provisions	(0.34)	(0.46)
Increase/ (Decrease) in Other Current Liabilities	(11.65)	27.50
Increase/ (Decrease) in Other Long Term Liabilities	(29.29)	39.54
(Increase)/ Decrease in Current Trade Receivables	139.93	114.77
(Increase)/ Decrease in Non Current Trade Receivables	-	4.38
(Increase)/ Decrease in Inventories	21.46	(12.11)
(Increase)/ Decrease in Short Term Loans and Advances	70.99	0.65
(Increase)/ Decrease in Long Term Loans and Advances	(1.33)	27.91
(Increase)/ Decrease in Other Current Assets	(11.02)	(13.77)
(Increase)/ Decrease in Other Bank Balances	2.87	27.33
(Increase)/ Decrease in Other Non-Current Assets	(0.25)	(2.57)
	17.00	293.11
<b>Cash generated from operations</b>	<b>229.90</b>	<b>570.90</b>
Direct Tax-(paid including TDS)/ refund received (net)	75.95	(65.75)
Net Cash from Operating activities before exceptional items	305.85	505.15
Exceptional Items	9.65	8.95
<b>Net Cash from Operating activities (A)</b>	<b>315.50</b>	<b>514.10</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets (including Capital Work-in-progress, Internally Developed Intangibles and Capital Advances)	(420.85)	(733.91)
Proceeds from Sale of Fixed Assets	9.24	15.55
Acquisition of Business (Refer Note 30)	(14.85)	-
Loans given to Subsidiaries	(213.00)	(278.00)
Loan given to Subsidiaries received back (Refer Note 29)	520.70	70.00
Interest received	73.82	44.95
Dividend received	144.93	137.69
Purchase of Mutual Funds	(20.00)	(132.50)
Sale of Mutual Funds	20.03	139.14
Investment in Equity Shares of Subsidiaries	(28.71)	(12.22)
Investment in OCD of Subsidiaries	(160.00)	-
<b>Net Cash from/ (used) in Investing activities (B)</b>	<b>(88.69)</b>	<b>(749.30)</b>

## CASH FLOW STATEMENT for the year ended March 31, 2017

	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Redemption of Non Convertible Debentures	-	(166.67)
Issue of Shares under ESOP Scheme	12.58	16.76
Share Application Money Received	2.22	-
Term Loan raised during the year in Foreign Currency	-	600.00
Proceeds from Short Term Borrowings	270.00	750.00
Repayment of Short Term Borrowings	(270.00)	(750.00)
Proceeds/ (Payments) relating to Cash Credits (Net)	-	(79.99)
Interest Paid on Fixed Loan	(222.94)	(186.18)
Dividend Paid	(1.97)	(1.05)
Dividend Tax Paid	-	(0.01)
Receipt of Inter Corporate Deposits	164.00	85.00
Repayment of Inter Corporate Deposits	(85.00)	-
<b>Net Cash from/ (used in) Financing activities ( C )</b>	<b>(131.11)</b>	<b>267.86</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A) + (B) + (C)</b>	<b>95.70</b>	<b>32.66</b>
<b>Cash and Cash Equivalents as at the beginning of the year (Footnote 1)</b>	<b>109.57</b>	<b>76.91</b>
<b>Cash and cash Equivalents as at the end of the year (Footnote 1)</b>	<b>205.27</b>	<b>109.57</b>

### Notes:

#### 1 Cash and Cash Equivalents

Balance with banks

- Current Accounts [include Rs. (0.43) Million (Previous year  
Rs. 0.14 Million) effect of exchange differences on balances with  
banks in foreign currency]

Cheques and Drafts on hand

Cash on hand

**Cash and Cash Equivalents as at the end of the year**

184.27	72.96
14.50	17.44
6.50	19.17
<b>205.27</b>	<b>109.57</b>

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 as notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.
- Figures in parenthesis indicate cash outgo.
- Previous year figures have been regrouped/ recast wherever necessary to conform to the current year's classification. The accompanying Notes form an integral part of these financial statements.

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

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

Place : Gurugram  
Date : May 17, 2017

### 1 CORPORATE INFORMATION

NIIT is a talent development company which was set up in 1981. NIIT ('The Company') currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions. The Company is public limited company and is listed on the BSE Limited and National Stock Exchange of India Limited.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention except for assets and liabilities stated at fair values pursuant to a Scheme of Arrangement. Pursuant to the section 133 of the Companies Act, 2013 of India, read with the Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial 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.

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

#### 2.2 Other significant accounting policies adopted by the Company are detailed below:

##### i) Tangible Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except where they are taken over pursuant to an acquisition at a consolidated price. Individual fixed assets taken over pursuant to an acquisition are recorded at their respective fair values on the date of acquisition based on valuation carried out by an independent valuer.

Cost comprises of the purchase price including import duties, non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the management.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets, based on a technical evaluation which in some cases are higher than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss.

The estimates of useful lives of tangible assets are as follows:-

Description of Assets	Useful life
Buildings	58 Years
Leasehold Land	99 Years or lease period, whichever is lower
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 Years
- Air Conditioners	10 Years
Office Equipment	5 Years
Furniture & Fixtures	7 Years
Leasehold Improvements	3-5 Years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 years
Assets acquired under lease (Included under Plant & Equipment and Furniture & Fixtures)	Lease Period or useful life, whichever is lower
All other assets (including vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

### ii) Intangible Fixed Assets and Amortisation

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

Amortisation is provided on a pro-rata basis on the straight-line method over the estimated useful lives as follows:

Description of Assets	Useful Life
a) Contents and Products #	3-5 Years
b) Software #	
c) Patents	
d) Goodwill on acquisition of business	5 Years

# Contents, products and software are technically evaluated for their useful economic life each year for any impairment triggers as per Accounting Standard 28, "Impairment of Assets ". The unamortised amount of the asset is charged to Statement of Profit and Loss as amortisation over their revised remaining useful life.

### iii) Impairment of Assets

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

### iv) Investments

Long-term investments are carried at their acquisition cost except those acquired at fair values pursuant to a Scheme of Arrangement wherein such fair value is considered as acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognised and charged to Statement of Profit and Loss. Short-term investments are carried at cost or market value, whichever is lower.

**v) Inventory Valuation – Traded Goods**

Inventories are valued at lower of cost or net realisable value. Cost is determined using weighted average method and includes applicable costs incurred in bringing inventories to their present location and condition.

**vi) Revenue Recognition**

Revenue in respect of sale of courseware including technical information and reference material and other goods is recognised when the significant risk and rewards of ownership in it are transferred to the buyer as per the terms of the contracts which coincides with dispatch / delivery of the material to the customer as per trade practice and agreed terms. Revenue from the tuition activity/ training is recognised over the period of the course programs as the case may be. Revenue is recognised net of trade discounts, value added tax and service tax as the case may be.

Revenue from time and material contracts is recognised on a man month basis. In respect of fixed price contracts, revenue is recognised based on proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of the services. The foreseeable losses on completion of contract, if any, are provided for.

**vii) Other Income**

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

b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**viii) Employee Benefits****Gratuity**

The Company provides for gratuity, a defined benefit retirement plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. The Company’s liability is actuarially determined (using projected unit credit method) at the end of the year and any shortfall/ surplus in the fund size maintained by the Trust set up by the Company with Life Insurance Corporation of India (LIC) is charged/ credited to the Statement of Profit and Loss.

**Compensated Absences**

Liability in respect of compensated absences is provided both for encashable leave and those expected to be availed. The Company’s liability is determined on the basis of an actuarial valuation (using projected unit credit method) at the end of the year. Actuarial losses/ gains are charged/ credited to the Statement of Profit and Loss in the year in which such losses/ gains arise.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

**Superannuation**

The Company makes defined contribution to the Trust established for the purpose by the Company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contributions made during the year are charged to Statement of Profit and Loss.

**Provident Fund**

The Company makes contribution to the “NIIT LIMITED EMPLOYEES’ PROVIDENT FUND TRUST”, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company’s obligation in this regard is actuarially determined (using projected unit credit method) and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. The Company’s contribution towards Provident Fund is charged to Statement of Profit and Loss.

The background of the slide is a light cream color, overlaid with a complex pattern of semi-transparent, low-poly geometric shapes. These shapes, which include various polygons and cubes, are rendered in shades of blue, teal, and purple, creating a modern, crystalline aesthetic. The shapes are scattered across the frame, with some appearing larger and more prominent than others, giving a sense of depth and movement.

# **AWARDS AND ACCOLADES**

**NIIT was recognized as 'India's Most Trusted Training Brand' 2017 by Brand Trust Report for the 5th consecutive year**



**NIIT.tv was acknowledged for Education Technology (Institutions) by Indo-American Education Summit 2016**

**NIIT Imperia was awarded the 'Best training to Working Professionals' category at the BBC Knowledge Education Leadership Awards 2016**





**Training.com was recognized 'eEducation Services of the Year – Online educational services award 2017' by Franchise India**

**NIIT USA received 8 Brandon Hall Excellence in Learning Awards 2016 jointly with customers.**



**NIIT USA was ranked among the Top 20 Training Outsourcing Companies 2017 by TrainingIndustry.com for the tenth consecutive year**



**NIIT UK was awarded the status  
of 'Accredited Learning Provider'  
by Learning and Performance  
Institute (LPI), UK**



**NIIT USA was ranked among the Top 20  
Companies in Content Development 2017  
by TrainingIndustry.com for the seventh  
consecutive year**

**NIIT USA was ranked among the Top  
20 Companies in Gamification 2016  
by TrainingIndustry.com for the third  
consecutive year.**



**Pension Fund**

The Company makes defined contribution to a government administered pension fund towards its pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions and the contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

**National Pension System**

The Company makes defined contribution towards National Pension System for certain employees for which company has no further obligation. The Company's contribution towards Employee Pension System is charged to Statement of Profit and Loss.

**ix) Employees Stock Option Plan (ESOP)**

Equity settled stock options granted under "NIIT Employee Stock Option Plan 2005", whereby 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 straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to general reserve equal to the amortised portion of value of lapsed options and credit to deferred employee compensation expense equal to the un-amortised portion of lapsed options. The balance in employee stock option outstanding account, net of any un-amortised deferred employee compensation, is shown separately as part of reserves and surplus.

**x) Foreign Currency Transactions**

Transactions in foreign currency are booked at rates determined periodically which approximate the actual rates, and all monetary assets and liabilities in foreign currency are restated at the end of accounting period. Gain/ Loss arising out of fluctuations on realisation/ payment or restatement is charged/ credited to the Statement of Profit and Loss.

Foreign currency assets/ liabilities covered by forward contracts are stated at the forward contract rate and difference between the forward rate and the exchange rate at the inception of the forward contract are recognised to the Statement of Profit and Loss over the life of the contract, except to the extent on which accounting policy on derivative instruments and hedge accounting as detailed in (xi) below.

**xi) Derivative Instruments and Hedge Accounting**

In accordance with its Risk Management policies and procedures, the Company uses derivative instruments to hedge its risks associated with foreign currency fluctuations. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value & are remeasured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss is recognised directly in Reserves and Surplus under Hedging Reserve to the extent considered highly effective. Change in the fair value of 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 recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognised in Reserves and Surplus under hedging reserve is retained there until the 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 recognised in Reserves and Surplus is transferred to Statement of Profit and Loss in the same period.

**xii) Leases**

Lease rental in respect of operating lease arrangements are charged to expense in the Statement of Profit and Loss on a straight line basis as per the terms of the related agreement. Finance lease transactions are considered as financing arrangements in accordance with Accounting Standard 19 and the leased asset is capitalised at an amount equal to the present value of future lease payments and a corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to the leased asset.

**xiii) Borrowing Cost**

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

**xiv) Taxation**

Tax expense, comprising of both current tax and deferred tax is included in determining the net results for the year. 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 jurisdiction. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognised as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that the Company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilised in the year when normal income tax is higher than the Minimum Alternate Tax (MAT). Deferred Tax is recognised for all timing differences, subject to consideration of prudence in respect of Deferred Tax Asset. Deferred Tax Assets are recognised and carried forward only to the extent that there is reasonable certainty of realisation of such timing differences.

In situations, where the Company has unabsorbed depreciation or carry forward losses under the tax laws, all deferred tax assets are recognised to the extent 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.

**xv) Provisions and Contingencies**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Disclosure of show cause notices are made on merits of the matters where management foresees possibilities of outflow of resources.

**xvi) Earnings Per Share**

The earnings considered in ascertaining the Company's earnings per share ('EPS') comprises the net profit after tax. The number of shares used in computing the Basic EPS is the weighted average number of shares outstanding during the year. The Diluted EPS is calculated on the same basis as Basic EPS, after adjusting for the effects of potential dilutive equity shares.

**xvii) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**xviii) Proposed Dividend**

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

(Rs. Million)

	As At	
	March 31, 2017	March 31, 2016
<b>3 SHARE CAPITAL</b>		
<b>Authorised</b>		
393,000,000 Equity Shares of Rs. 2/- each	786.00	786.00
(Previous year 393,000,000 Equity Shares of Rs. 2/- each)		
2,500,000 Redeemable Preference Shares of Rs.100/- each	250.00	250.00
(Previous year 2,500,000 Redeemable Preference Shares of Rs.100/- each)		
350,000,000 - 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each	350.00	350.00
(Previous year 350,000,000 - 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each )		
	<b>1,386.00</b>	<b>1,386.00</b>
<b>Issued</b>		
165,755,886 Equity Shares of Rs. 2/- each	331.51	331.01
(Previous year -165,507,233 Equity Shares of Rs. 2/- each)		
	<b>331.51</b>	<b>331.01</b>
<b>Subscribed and Paid up</b>		
165,749,886 Equity Shares of Rs. 2/- each	331.50	331.00
(Previous year - 165,501,233 Equity Shares of Rs. 2/- each)		
Add: Forfeited Shares (amount originally paid-up)	0.01	0.01
	<b>331.51</b>	<b>331.01</b>

### 3.1 Reconciliation of the number of shares outstanding

Equity Shares	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Shares outstanding at the beginning of the year	165,501,233	331.00	165,170,597	330.34
Shares issued during the year	248,653	0.50	330,636	0.66
<b>Shares outstanding at the end of the year</b>	<b>165,749,886</b>	<b>331.50</b>	<b>165,501,233</b>	<b>331.00</b>

### 3.2 Rights, preferences and restrictions attached to shares:-

**Equity Shares:** The Company has issued one class of equity shares having a par value of Rs.2/- 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 the 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.

### 3.3 Shares held by each shareholder holding more than 5% shares in the Company (Refer Note 31)

	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	% of holding	No. of shares	% of holding
Pace Industries Private Limited	-	-	25,366,521	15.33%
PIPL Management Consultancy and Investment Private Limited	25,366,521	15.30%	-	-
Global Solutions Private Limited	-	-	25,915,838	15.66%
Global Consultancy and Investment Private Limited	25,915,838	15.64%	-	-
<b>Total</b>	<b>51,282,359</b>	<b>30.94%</b>	<b>51,282,359</b>	<b>30.99%</b>

### 3.4 Shares reserved for issue under Employee Stock Option Plan (ESOP)

	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Equity shares (For details Refer Note 25)	5,387,424	10.77	6,086,256	12.17
	<b>5,387,424</b>	<b>10.77</b>	<b>6,086,256</b>	<b>12.17</b>

(Rs. Million)

4 RESERVES AND SURPLUS	As at	
	March 31, 2017	March 31, 2016
<b>Securities Premium Reserve</b>		
Opening balance	537.02	520.92
Add: Addition on account of exercise of ESOP's	12.08	16.10
	549.10	537.02
<b>Debenture Redemption Reserve</b>		
Opening balance	-	41.67
Less: Amount transferred to General Reserve	-	(41.67)
	-	-
<b>Hedging Reserve Account (Debit balance) [Refer Note 41]</b>		
Opening balance	(62.84)	(45.95)
Add: Impact on account of restatement of Loan	33.05	(60.51)
Add: Impact on account of restatement of Interest on Loan	1.34	3.28
Add: Movement in Derivative Instrument Fair Value Asset/ (Liability)	(29.14)	40.34
	(57.59)	(62.84)
<b>Capital Reserve (on Amalgamation)</b>	5,172.28	5,172.28
<b>General Reserve</b>		
Opening balance	1,055.14	1,013.47
Add: Amount transferred from Debenture Redemption Reserve	-	41.67
	1,055.14	1,055.14
<b>Surplus in Statement of Profit and Loss</b>		
Balance Brought Forward from Previous year	1,084.52	1,083.43
Add : Profit/ (Loss) for the year	(50.70)	1.09
	1,033.82	1,084.52
<b>Total</b>	<b>7,752.75</b>	<b>7,786.12</b>

(Rs. Million)

5 LONG-TERM BORROWINGS	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current Portion		Current Maturities	
<b>SECURED</b>				
Term Loans from Banks:				
- Foreign Currency Term Loan	1,419.82	1,661.08	208.21	-
<b>Sub Total (A)</b>	<b>1,419.82</b>	<b>1,661.08</b>	<b>208.21</b>	<b>-</b>
Amount disclosed under the head "Other Current Liabilities" (Refer Note 8 ) (B )	-	-	(208.21)	-
<b>Total (A+B)</b>	<b>1,419.82</b>	<b>1,661.08</b>	<b>-</b>	<b>-</b>

## 5.1 Details of Security given against loans

- The Company has availed foreign currency loan for Rs. 600 Million equivalent of USD 9.05 Million which is fully hedged by converting it from the floating rate into fixed rate Rupee loan through a currency swap at a spot reference (USD INR) exchange rate of USD 1 = INR 66.30, through full maturity of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, movable fixed assets, both present and future, capital advances paid for building at Info-City, Sector-34, Gurugram and first exclusive charge on certain immovable properties. The rate of interest on fully hedged equivalent loan amount is fixed at 10.25% p.a. for the tenure of the loan.
- The Company has availed foreign currency loan of Rs.1,000 Million equivalent of USD 16.05 Million, which is fully hedged by converting it from the floating rate in Libor with spread of 175 bps into fixed rate Rupee loan through a currency swap at a spot reference (USD INR) exchange rate of USD 1 = INR 62.30, through full maturity of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, movable fixed assets, both present and future, land and building of the Company at Sector-32, Gurugram and capital advances paid for building at Info-City, Sector-34, Gurugram. The rate of interest on fully hedged equivalent loan amount is fixed at 10.25% p.a. for the tenure of the loan.

## 5.2 Terms of Repayment

- Foreign Currency Term Loan for USD 9.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
July 20, 2020	1.50	97.83
April 20, 2020	1.51	97.83
January 20, 2020	1.51	97.83
July 20, 2019	1.51	97.83
January 20, 2019	1.51	97.83
July 20, 2018	1.51	97.83
	<b>9.05</b>	<b>586.98</b>

- Foreign Currency Term Loan for USD 16.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
June 5, 2019	3.21	208.21
April 5, 2019	3.21	208.21
October 5, 2018	3.21	208.21
April 5, 2018	3.21	208.21
October 5, 2017	3.21	208.21
	<b>16.05</b>	<b>1,041.05</b>

\* Rupee equivalent as at the year end

(Rs. Million)

6	SHORT-TERM BORROWINGS (Refer Notes below)	As at	
		March 31, 2017	March 31, 2016
	<b>UNSECURED</b>		
	Inter Corporate Deposits from Subsidiaries	164.00	85.00
	<b>Total</b>	<b>164.00</b>	<b>85.00</b>

**Notes:**

- (i) The Company has taken loan of Rs. 124 Million (Previous year Rs. 85 Million) from its subsidiary company, NIIT Institute of Process Excellence Limited, at an interest rate of 10.50% p.a..

The terms of repayments are as follows:-

Repayment Date	(Rs. Million)
November 3, 2017	20.00
July 26, 2017	104.00
	<b>124.00</b>

- (ii) The Company has taken loan of Rs. 40 Million (Previous year Rs. Nil ) from its subsidiary company, NIIT Institute of Finance Banking and Insurance Training Limited, at an interest rate of 10.50% p.a..

The terms of repayments are as follows:-

Repayment Date	(Rs. Million)
December 7, 2017	10.00
November 14, 2017	15.00
November 6, 2017	15.00
	<b>40.00</b>

(Rs. Million)

7	TRADE PAYABLES	As at	
		March 31, 2017	March 31, 2016
		<b>Current</b>	
	- Due to Micro, Small and Medium Enterprises (Refer Note 7.1 below)	0.01	0.22
	- Due to Others	491.34	670.21
		<b>491.35</b>	<b>670.43</b>

7.1 Parties covered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified on the basis of information available with the Company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

(Rs. Million)

Particulars	As at	
	March 31, 2017	March 31, 2016
a) The principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	0.01	0.19
ii) Interest thereon	*	0.03
b) The amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	0.14	-
ii) Interest thereon	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	*	0.03
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	*

\* rounded off

(Rs. Million)

8 OTHER LIABILITIES	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Long-Term		Current	
Current Maturities of Long-Term Borrowings (Refer Note 5)	-	-	208.21	-
Interest Accrued but not due on Borrowings	-	-	12.44	10.56
Unpaid Dividend*	-	-	7.52	9.49
Security Deposits Payable	10.59	15.10	109.77	152.77
Payable to Subsidiaries	-	-	94.94	96.42
Deferred Revenue	-	-	16.62	13.33
Advances from Customers	-	-	63.75	61.83
Statutory Dues	-	-	80.21	73.06
Derivative Instrument Fair Value Liability (net) (Refer Note 41)	-	-	36.23	7.09
Other Payables**	-	24.78	207.93	217.89
	<b>10.59</b>	<b>39.88</b>	<b>837.62</b>	<b>642.44</b>

\* There are no amounts due for payment to the Investor Protection Fund as at the year end.

\*\* includes capital creditors and payable to employees.

(Rs. Million)

9 PROVISIONS	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Long-Term		Short-Term	
<b>Provision for Employee Benefits (Refer Note 24)</b>				
-Provision for Gratuity	-	-	35.22	25.89
-Provision for Compensated Absences	3.08	3.42	41.13	41.09
<b>Others:</b>				
- Provision for Indirect tax under litigation*	-	-	44.57	44.57
	<b>3.08</b>	<b>3.42</b>	<b>120.92</b>	<b>111.55</b>

\*An amount of Rs. 22.22 Million which has been deposited, against the demand which has been disclosed under Note 13, as Advances recoverable in Cash or kind.

## NOTES to the Financial Statements for the year ended March 31, 2017

Contd..

### 10. FIXED ASSETS

(Rs. Million)

Description of Assets	GROSS BLOCK			DEPRECIATION AND AMORTISATION		NET BLOCK As on 31.03.2017
	Cost as on 01.04.2016	Additions during the year	Sales / Adj. during the year	For the year	Total as on 31.03.2017	
<b>Tangible</b>						
Land-Freehold {Footnote (i)}	13.99	-	-	-	-	13.99
Land-Leasehold {Footnote (i)}	6.93	-	-	0.74	0.74	6.19
Buildings {Footnotes (ii) & (iii)}	209.90	-	-	3.68	51.62	158.28
Plant & Equipment						
-Owned	835.60	32.92	123.66	51.41	121.15	631.60
-Leased	3.75	-	0.49	-	3.26	113.26
Leasehold Improvements	368.65	58.75	47.05	34.13	44.54	70.05
Furniture & Fixtures						
-Owned	94.29	8.91	10.79	8.48	10.38	74.76
-Leased	0.08	-	0.06	-	0.06	-
Vehicles	16.01	2.03	1.57	1.69	1.57	7.37
Office Equipment						
-Owned	80.07	0.13	6.32	6.37	6.14	72.01
-Leased	0.03	-	0.02	-	0.02	0.01
<b>Sub Total (a)</b>	<b>1,629.30</b>	<b>102.74</b>	<b>189.96</b>	<b>106.50</b>	<b>184.35</b>	<b>1,153.42</b>
						<b>388.66</b>
<b>Intangible</b>						
Content/ Products						
- Acquired	97.35	0.19	-	0.05	-	97.39
- Internally generated {Refer note 37}	894.15	23.20	917.35	80.40	-	816.84
- Leased	19.30	-	19.30	-	-	19.30
Software Acquired	1,038.57	5.06	1,043.63	50.78	-	994.03
Patents	14.14	-	14.14	-	-	14.14
Goodwill on acquisition of business {Refer note 30}	-	19.77	19.77	2.30	-	17.47
<b>Sub Total (b)</b>	<b>2,063.51</b>	<b>48.22</b>	<b>-</b>	<b>133.53</b>	<b>-</b>	<b>1,944.00</b>
						<b>167.73</b>
<b>Total (a+b)</b>	<b>3,692.81</b>	<b>150.96</b>	<b>189.96</b>	<b>240.03</b>	<b>184.35</b>	<b>556.39</b>
						<b>100.28</b>
<b>Intangible assets under development {Refer Note 37 for cost incurred during the year on internally generated intangible assets}</b>						

### Footnotes :

- Represents 25 acres of land at Tehsil Behror, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.
- Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vidya Co-operative Housing Society Limited.
- Refer Note 40 (a) (ii) for building given on Operating Lease.

## NOTES to the Financial Statements for the year ended March 31, 2017

Contd..

## 10 SCHEDULE OF FIXED ASSETS FOR CORRESPONDING PREVIOUS YEAR

Description of Assets	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK As on 31.03.2016
	Cost as on 01.04.2015	Additions during the year	Sales / Adj; during the year	As on 01.04.2015	For the year	Total as on 31.03.2016	
<b>Tangible</b>							
Land-Freehold	13.99	-	-	-	-	-	13.99
Land-Leasehold {Footnote (i)}	6.93	-	-	-	-	-	6.93
Buildings {Footnotes (i) & (iii)}	209.90	-	-	44.26	3.68	47.94	161.96
Plant & Equipment							
-Owned	800.62	79.14	44.16	677.63	67.02	701.34	134.26
-Leased	3.90	-	0.15	3.83	0.06	3.75	-
Leasehold Improvements	367.35	40.97	39.67	292.23	67.20	320.71	47.94
Furniture & Fixtures							
-Owned	101.88	8.55	16.14	80.44	11.30	76.66	17.63
-Leased	0.11	-	0.03	0.11	-	0.08	-
Vehicles	30.14	-	14.13	12.48	1.81	8.98	7.03
Office Equipment							
-Owned	85.70	1.40	7.03	66.32	12.45	71.78	8.29
-Leased	0.03	-	-	0.03	-	0.03	-
<b>Sub Total (a)</b>	<b>1,620.55</b>	<b>130.06</b>	<b>121.31</b>	<b>1,177.33</b>	<b>163.52</b>	<b>1,231.27</b>	<b>398.03</b>
<b>Intangible</b>							
Content/ Products							
- Acquired	97.35	-	-	97.35	0.07	97.34	0.01
- Internally generated {Footnote (iv) & Refer Note 37}	794.29	99.86	-	671.50	64.94	736.44	157.71
- Leased	19.30	-	-	19.30	-	19.30	-
Software Acquired	941.96	96.86	0.25	889.66	53.84	943.25	95.32
Patents	14.14	-	-	14.14	-	14.14	-
<b>Sub Total (b)</b>	<b>1,867.04</b>	<b>196.72</b>	<b>0.25</b>	<b>1,691.87</b>	<b>118.85</b>	<b>1,810.47</b>	<b>253.04</b>
<b>Total (a+b)</b>	<b>3,487.59</b>	<b>326.78</b>	<b>121.56</b>	<b>2,869.20</b>	<b>282.37</b>	<b>3,041.74</b>	<b>651.07</b>
<b>Intangible assets under development {Refer Note 37 for cost incurred during the year on internally generated intangible assets}</b>							<b>13.90</b>

## Footnotes :

- (i) Represents 25 acres of land amounting to Rs. 6.93 Million at Tehsil Behror, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.
- (ii) Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vidya Co-operative Housing Society Limited.
- (iii) Refer Note 40 (a) (ii) for building given on Operating Lease.
- (iv) The Company has computed the recoverable value using value in use method and has considered a discount rate of 14% p.a.

(Rs. Million)

## 11 INVESTMENTS

### 1) Non-Current Investment

#### A. TRADE [UNQUOTED]

(Valued at cost less provision for diminution other than temporary)

#### In Subsidiary Companies

##### -Equity

10,662,113 (Previous year 10,662,113) Shares of 1 US \$ each fully paid-up in NIIT (USA) Inc., USA

478.15 478.15

478.15 478.15

500,000 (Previous year 500,000) Equity Shares of 1 US \$ or Rp. 2,297 each fully paid-up in PT NIIT Indonesia, Indonesia

17.56 17.56

Less: Provision for diminution in the value of investment

(17.56) (17.56)

- -

35,056,000 (Previous year 35,056,000) Equity Shares of 1 US \$ each fully paid-up in NIIT Antilles NV, Netherlands Antilles

1,628.69 1,628.69

Less: Provision for diminution in value of Investment

(1,628.69) (1,628.69)

- -

13,000,000 (Previous year 13,000,000) Equity Shares of 0.5 US \$ each fully paid-up in NIIT Antilles NV, Netherlands Antilles

404.56 404.56

150,000 (Previous year Nil) Equity Shares of 1 Euro each fully paid-up in NIIT Ireland Limited

10.78 10.78

1,000,000 (Previous year 1,000,000) Equity Shares of Rs 10/- each fully paid-up in Mindchampion Learning Systems Limited

10.50 10.50

Less: Provision for diminution in value of Investment

(10.50) (10.50)

- -

18,064,065 (Previous year 18,064,065) Equity shares of Rs. 10/- each fully paid-up in Mindchampion Learning Systems Limited

180.64 180.64

Less: Provision for diminution in value of Investment

(180.64) (180.64)

- -

155,000 (Previous year 155,000) Equity Shares of 1 GBP each fully paid-up in NIIT Limited-UK

13.10 13.10

8,162,500 (Previous year 8,157,500) Equity Shares of Rs. 10 each fully paid-up in NIIT Institute of Finance Banking and Insurance Training Limited

85.98 85.79

16,500,000 (Previous year 16,500,000) Equity Shares of Rs. 10 each fully paid-up in NIIT Institute of Process Excellence Limited

165.00 165.00

23,132,395 (Previous year 20,819,155) Equity Shares of Rs. 10/- each fully paid-up in NIIT Yuva Jyoti Limited

236.71 208.19

### - Debentures

(Rs. Million)

900,000 (Previous year 900,000) 0.5% Optionally Convertible Debentures of Rs. 1000/- each fully paid up in Mindchampion Learning Systems Limited {Foot note (i)}	900.00	900.00
Less: Provision for diminution in value of Investment	(29.36)	(29.36)
	870.64	870.64
16,000,000 (Previous year Nil) 0.5% Optionally Convertible Debentures of Rs. 10/- each fully paid up in NIIT Yuva Jyoti Limited {Foot note (ii)}	160.00	-
	160.00	-

### TRADE [QUOTED]

[Valued at fair value on acquisition date less any provision for diminution other than temporary]

### In Associate Company

### -Equity

14,493,480 (Previous year 14,493,480) Equity Shares of Rs. 10/- each fully paid-up in NIIT Technologies Limited	5,186.90	5,186.90
[Market Value as on March 31, 2017 is Rs. 6,313.36 Million (Previous year Rs. 7,198.91 Million)]		

**Sub Total (A)** 7,611.82 7,423.11

### B. LONG TERM, OTHERS [UNQUOTED]

(Valued at cost less provision for other than temporary diminution)

### In Other Companies

240 Equity Shares of Rs.10/- each fully paid-up in Hinduja HCL Singtel Communication Private Limited	-	-
Less: Provision for diminution in the value of Investment	-	-
[Investment of Rs. 2,400/- (Previous year Rs. 2,400/-)] fully provided for		
<b>Sub Total (B)</b>	-	-

**TOTAL (A+B)** 7,611.82 7,423.11

Aggregate amount of Unquoted Investments	4,291.67	4,102.96
Less:- Aggregate Provision for diminution in the value of Investments	(1,866.75)	(1,866.75)
<b>Total Unquoted Investments (C)</b>	<b>2,424.92</b>	<b>2,236.21</b>
Aggregate amount of Quoted Investments	5,186.90	5,186.90
<b>Total Quoted Investments (D)</b>	<b>5,186.90</b>	<b>5,186.90</b>
<b>GRAND TOTAL (C+D)</b>	<b>7,611.82</b>	<b>7,423.11</b>

### Notes:

- 900,000 Optionally Convertible Debentures (OCDs) of Rs. 1,000/- each fully paid at a coupon rate of 0.5% p.a. for a period of 5 years from the date of allotment. The Company shall have the right to convert such OCDs into equity shares at the expiry of third year from the date of allotment.
- 16,000,000 Optionally Convertible Debentures (OCDs) of Rs. 10/- each fully paid at a coupon rate of 0.5% p.a. for a period of 5 years from the date of allotment wherein the Company shall have the right to convert such OCDs into equity shares at the expiry of 18 months from the date of allotment.

## 12 TAXATION

(a) Detailed break-up of Deferred Tax Assets/ Liabilities is as follows:-

	(Rs. Million)	
	As at	As at
	March 31, 2017	March 31, 2016
<b>Deferred Tax Assets:</b>		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	83.59	115.85
Provision for doubtful debts and advances	276.71	264.20
Provision for non-moving inventories	7.00	1.89
Provision for Employee Benefits	39.82	34.10
<b>Total (A)</b>	<b>407.12</b>	<b>416.04</b>
Timing differences not recognised on account of prudence (B )	303.34	312.26
<b>Net Deferred Tax Assets carried to Balance Sheet (A-B)</b>	<b>103.78</b>	<b>103.78</b>

- (i) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- (ii) Deferred Tax Asset on brought forward losses has also not been recognised in the absence of virtual certainty of availability of taxable income to set off the losses.

(Rs. Million)

## 13 LOANS AND ADVANCES

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Long-Term		Short-Term	
<b>i) Capital Advances</b>				
Unsecured, considered good	842.79	669.39	-	-
<b>(A)</b>	<b>842.79</b>	<b>669.39</b>	-	-
<b>ii) Security Deposits Receivable</b>				
Unsecured, considered good	58.27	57.66	17.77	42.50
Unsecured, considered doubtful	5.05	5.05	-	-
Less: Provision for doubtful security deposits	(5.05)	(5.05)	-	-
<b>(B)</b>	<b>58.27</b>	<b>57.66</b>	<b>17.77</b>	<b>42.50</b>
<b>iii) Loans to related parties</b>				
Unsecured, considered good	-	-	-	278.00
Unsecured, considered doubtful	-	29.70	-	-
Less: Provision for doubtful Loans (Refer note 29(ii))	-	(29.70)	-	-
<b>(C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278.00</b>
<b>iv) Advances recoverable in cash or in kind</b>				
Unsecured, considered good (Refer Note 13.1 and 13.2 below)	0.67	0.33	120.98	167.34
Unsecured, considered doubtful	10.50	11.78	-	-
Less: Provision for doubtful advances	(10.50)	(11.78)	-	-
<b>(D)</b>	<b>0.67</b>	<b>0.33</b>	<b>120.98</b>	<b>167.34</b>
<b>v) Other Advances</b>				
a) Advance payment of Fringe Benefit Tax	89.57	89.57	-	-
Less: Provision for Fringe Benefit Tax	(88.66)	(88.66)	-	-
	<b>0.91</b>	<b>0.91</b>	-	-
b) Advance Income Tax	1,160.22	1,246.12	-	-
Less: Provision for Income Tax	(867.43)	(871.63)	-	-
	<b>292.79</b>	<b>374.49</b>	-	-
<b>c) MAT Credit Entitlement</b>				
Opening Balance	84.13	68.60	-	-
Addition during the year	-	15.59	-	-
Utilised/ Reversed during the year	-	(0.06)	-	-
	<b>84.13</b>	<b>84.13</b>	-	-
<b>(E)</b>	<b>377.83</b>	<b>459.53</b>	-	-
<b>Total (A+B+C+D+E)</b>	<b>1,279.56</b>	<b>1,186.91</b>	<b>138.75</b>	<b>487.84</b>

- 13.1** Maximum amount due from Directors or other Officers during the year Rs. 3.45 Million (Previous year Rs. 0.38 Million). Amount outstanding at year end Rs. 1.46 Million (Previous year Rs. 0.03 Million).
- 13.2** Short-term Loans and advances include balances with government authorities Rs. 52.66 Million (Previous year Rs. 64.50 Million).

(Rs. Million)

14 TRADE RECEIVABLES (Unsecured)	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non Current		Current	
a) Outstanding for a period exceeding six months from the date they are due for payment				
Considered good	-	-	185.52	349.22
Considered doubtful	733.28	676.69	-	-
Less: Provision for doubtful debts	(733.28)	(676.69)	-	-
(A)	-	-	185.52	349.22
b) Others				
Considered good	-	-	813.79	856.63
Considered doubtful	20.74	27.77	-	-
Less: Provision for doubtful debts	(20.74)	(27.77)	-	-
(B)	-	-	813.79	856.63
TOTAL (A+B)	-	-	999.31	1,205.85

## 15 MOVEMENT OF PROVISION FOR DOUBTFUL DEBTS

(Rs. Million)

	As at	
	March 31, 2017	March 31, 2016
Opening Provision	704.46	737.62
Add: Additional provision created	58.07	21.46
Add: Provision/(Written off) for business support on account of change in delivery technology	-	(13.70)
Less: Provision for doubtful debts written back*	(8.51)	(25.85)
Less: Bad debts written off	-	(15.07)
Closing Provision	754.02	704.46

\* Provision for doubtful debts written back amounting to Rs. 8.51 Million ( Previous year Rs.17.42 Million) shown as exceptional item [Refer Note 29].

(Rs. Million)

16 OTHER ASSETS	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current		Current	
Non Current Bank Balances (Refer Note 18)	0.12	0.12	-	-
Unbilled Revenue	0.25	2.54	83.25	72.23
Less: Provision for Unbilled Revenue	(0.25)	(2.54)	-	-
Interest Receivable	-	-	5.33	5.80
Derivative Instrument Fair Value Asset (Refer Note 41)	-	-	18.33	-
	0.12	0.12	106.91	78.03

(Rs. Million)

17 INVENTORIES (Valued at lower of Cost or Net Realisable Value)	As at	
	March 31, 2017	March 31, 2016
<b>As at the end of the year</b>		
<b>Traded Goods</b>		
a) Courseware and Training Material*	8.35	44.44
b) Software	0.37	0.49
<b>Sub-Total (A)</b>	<b>8.72</b>	<b>44.93</b>
<b>As at the beginning of the year</b>		
<b>Traded Goods</b>		
a) Courseware and Training Material*	44.44	26.74
b) Software	0.49	0.45
<b>Sub-Total (B)</b>	<b>44.93</b>	<b>27.19</b>
<b>(Increase)/ Decrease in Inventory (B-A)</b>	<b>36.21</b>	<b>(17.74)</b>

\* Net of provision for non-moving inventories of Rs. 20.21 Million (Previous year Rs. 5.46 Million).

(Rs. Million)

18 CASH AND BANK BALANCES	As at	
	March 31, 2017	March 31, 2016
	Current	
<b>Cash and Cash Equivalents:</b>		
Balance with Banks		
-Current Accounts	184.27	72.96
Cheques and Drafts on hand	14.50	17.44
Cash on hand	6.50	19.17
<b>Sub Total (A)</b>	<b>205.27</b>	<b>109.57</b>
<b>Other Bank Balances:</b>		
Bank Deposits*		
-With original maturity of more than 3 months and upto 12 months	15.43	16.33
-With original maturity of more than 12 months	0.12	0.12
Dividend Accounts	7.52	9.49
* Pledged as Margin money		
<b>Sub Total (B)</b>	<b>23.07</b>	<b>25.94</b>
<b>Total (A+B)</b>	<b>228.34</b>	<b>135.51</b>
<b>Amount disclosed under "Other Non Current Assets" (Refer Note 16) (C )</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Total (A+B+C)</b>	<b>228.22</b>	<b>135.39</b>

(Rs. Million)

19 CONTINGENT LIABILITIES	As at	
	March 31, 2017	March 31, 2016
<b>1. Claims against the Company not acknowledged as debts:-</b>		
- Customers	33.55	6.13
- Sales Tax/ VAT	5.08	-
- Works Contract Tax	31.32	31.32
- Customs Duty	4.80	4.80
- Income Tax	385.25	372.42
- Others*	17.98	14.44

\*Pertains to alleged dues towards provident fund payable by vendors of the Company which the Company is also contesting.

(a) It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Management does not foresee any financial implication based on advice of legal counsel.

(b) The Company does not expect any reimbursements in respect of the above.

2. The Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax (CIT) for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. The orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal. The Tribunal has since passed order for AY 1999-00 wherein the Tribunal decided the issue of assumption of jurisdiction against the Company. On merits, Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for a fresh examination. The Company has filed an appeal before the Hon'ble High Court against the aforesaid order of the Tribunal which is pending for disposal. At this stage there is no ascertained/quantified demands. Based on a legal opinion, the Company has fair chances of obtaining adequate relief before the Hon'ble High Court.

It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Management does not foresee any financial implication based on advice of legal counsel.

### 3. Guarantees

- i. Guarantees issued by bankers outstanding at the end of the year Rs. 1.10 Million (Previous year Rs.1.12 Million).
- ii. Corporate Guarantee Nil [Previous year Rs. 562.49 Million (USD 8.50 Million)] issued to Skill Soft Corporation, USA & Skill Soft Ireland Limited to secure them against any indemnification obligations of NIIT Ventures Inc. (erstwhile step down subsidiary of the Company) and NIIT (USA) Inc., with respect to sale of Element K Corporation (erstwhile step down subsidiary of the Company) in earlier year.
- iii. Corporate Guarantee to National Skill Development Corporation to secure loan of Rs. 90.00 Million (Previous year Rs. 142.64 Million) availed by NIIT Yuva Jyoti Limited, a subsidiary of the Company.
- iv. Corporate Guarantee to National Skill Development Corporation to secure them in the event of default on the part of NIIT Yuva Jyoti Limited in making payment towards outstanding royalty amount of Rs. 136.49 Million (Previous year Nil).
- v. Corporate Guarantee issued to banks for availing working capital limits on behalf of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 450 Million (Previous year Nil) [Amount Outstanding at year end Rs. Nil (Previous year Nil)].

### 4. Other Monies for which the Company is contingently liable

- i. Security for working capital limits on behalf of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Nil (Previous year Rs. 30 Million) [Amount Outstanding at year end Nil (Previous year Nil)].
- ii. Standby Letter of Credit Rs. 486.44 Million (USD 7.5 Million) [Previous year Rs. 496.31 Million (USD 7.5 Million)] for working capital limits in favour of NIIT (USA) Inc., USA, a subsidiary of the Company, by earmarking working capital facility of NIIT Limited.
- iii. Outstanding letters of credit of Nil (Previous year Rs. 26.58 Million).

## 20 CAPITAL AND OTHER COMMITMENTS

- (a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 287.22 Million (Previous year Rs. 508.72 Million).
- (b) For commitments related to lease arrangements, refer Note 40.
- (c) The Company has issued a letter of support to provide need based financial support to its subsidiaries Mindchampion Learning Systems Limited, NIIT Yuva Jyoti Limited and NIIT Antilles NV.

## 21 REVENUE FROM OPERATIONS

	(Rs. Million)	
	Year ended	
	March 31, 2017	March 31, 2016
<b>Sale of Products :</b>		
-Courseware and Training Material	750.65	927.50
-Hardware & Accessories	5.78	3.21
<b>Sale of Services</b>	<u>2,906.43</u>	<u>2,883.78</u>
	<b><u>3,662.86</u></b>	<b><u>3,814.49</u></b>

22 OTHER INCOME	(Rs. Million)	
	Year ended	
	March 31, 2017	March 31, 2016
Interest Income	73.35	31.80
Dividend Income from Investments in Associates	144.93	137.69
Dividend Income from Current Investments	-	0.12
Profit/(Loss) from Sale of Current Investment	0.03	0.57
Provision/ Other Liabilities Written Back	5.47	40.13
Gain on Sale of Fixed Assets (Net)	3.63	3.82
Gain on Foreign Currency Translation and Transaction (net)	-	9.94
Recovery from Subsidiaries for Management Services	161.74	152.26
Other Non-Operating Income	36.19	27.84
	<b>425.34</b>	<b>404.17</b>

23 EMPLOYEE BENEFITS EXPENSE (Refer Note 24 & 37)	(Rs. Million)	
	Year ended	
	March 31, 2017	March 31, 2016
Salaries and Benefits	1,374.39	1,291.35
Contribution to Provident and other Funds	70.93	57.91
Welfare and Other expenses	37.06	36.34
	<b>1,482.38</b>	<b>1,385.60</b>

## 24 EMPLOYEE BENEFITS

### A) Defined Contribution Plans

The Company makes contribution towards Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in the Statement of Profit and Loss under "Employee Benefits Expense" in Note 23:-

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2017	March 31, 2016
- Employers' Contribution to Superannuation Fund	9.08	8.05
- Employers' Contribution to Employees Pension Schemes	19.31	17.37
- Employers' Contribution towards Social Security Schemes in foreign territories	-	0.35

Contribution towards Superannuation Fund to the defined contribution plans includes following cost for Key Managerial Personnel:

Particulars	Year ended	
	March 31, 2017	March 31, 2016
- Employers' Contribution to Superannuation Fund	1.73	1.69
- Employers' Contribution to Employees Pension Schemes	0.41	0.43

### B) Defined Benefit Plans

#### I. Provident Fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"), which is a defined benefit plan. The Company contributed Rs. 22.09 Million (Previous year Rs.19.78 Million) including Rs. 1.95 Million (Previous year Rs. 1.95 Million) in respect of Key Managerial personnel during the year to the Trust.

The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Company's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The guidance on implementing AS 15 Employee Benefits (revised 2005), issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at the year end.

The details of fund and plan assets of the Trust (inclusive of contribution received from subsidiaries) are as follows (limited to the extent provided by the actuary):

#### (i) Change in Defined Benefit Obligation

	(Rs. Million)	
	As at	
Particulars	March 31, 2017	March 31, 2016
Present value defined benefit obligation as at the beginning of the year	7.37	5.64
Current service cost	0.83	0.82
Interest Cost	0.57	0.44
Actuarial (gain)/ loss on obligations	(1.35)	0.47
<b>Present Value Defined Benefit Obligations at the end of the year</b>	<b>7.42</b>	<b>7.37</b>

#### (ii) Change in Fair Value of Assets

	As at	
Particulars	March 31, 2017	March 31, 2016
Fair value of plan assets as at the beginning of the year	119.06	91.76
Actuarial (loss) / gain on plan assets	13.62	27.30
<b>Fair value of Plan Assets as at the end of the year</b>	<b>132.68</b>	<b>119.06</b>

#### (iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet

	As at	
Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	7.42	7.37
Fair Value of plan assets	132.68	119.06
Funded Status [surplus/ (deficit) not recognised]	125.26	111.69
<b>Net Asset/ (Liability) recognised in the Balance Sheet</b>	<b>-</b>	<b>-</b>

#### (iv) Assumptions used in accounting for provident Fund:-

	Year ended	
	March 31, 2017	March 31, 2016
Discount Rate (Per Annum)	7.00%	7.75%
Expected return on Plan Assets	8.60%	8.60%
		8.75% and
		8.60% for
Expected guaranteed interest rate	8.60%	subsequent years

#### (v) Investment details of Plan Assets:-

	Year ended	
	March 31, 2017	March 31, 2016
Government Securities	49.74%	47.39%
Debt Instruments	47.69%	51.09%
Equities	1.95%	0.91%
Short term Debt Instruments	0.62%	0.61%
	<b>100.00%</b>	<b>100.00%</b>

	(Rs. Million)	
II Compensated Absences	As at	
Particulars	March 31, 2017	March 31, 2016
<b>i) Change in Present value of Obligation:-</b>		
Present value of obligation as at the beginning of the year	44.51	50.91
Current service cost	13.79	14.95
Past Service Cost	-	(10.43)
Interest Cost	3.38	3.92
Benefits Paid	(1.72)	(0.53)
Addition on account of transfer of employees from subsidiaries	-	3.86
Actuarial (gain)/ loss on Obligations	(15.75)	(18.17)
<b>Present value of obligation as at the end of the year</b>	<b>44.21</b>	<b>44.51</b>
<b>Classification in the balance sheet</b>		
Short-Term	41.13	41.09
Long-Term	3.08	3.42
<b>Total</b>	<b>44.21</b>	<b>44.51</b>

	As at	
	March 31, 2017	March 31, 2016
<b>ii) Assumptions used in accounting for Compensated Absences:-</b>		
Discount Rate (per annum)	7.00%	7.75%
Future Salary Increase		
-For First 5 Years	8.00%	8.00%
-Thereafter	8.00%	8.00%
Estimates of future salary increase (cost to the Company) considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		

	(Rs. Million)	
III. Gratuity Fund	As at	
Particulars	March 31, 2017	March 31, 2016
<b>i) Change in Present value of Obligation:-</b>		
Present value of obligation as at the beginning of the year	104.83	106.50
Interest cost	7.55	7.29
Current service cost	11.14	10.53
Addition/ (Deletion) on account of transfer of employees from/ (to) subsidiaries	(0.07)	4.04
Plan Amendments Cost	(0.75)	-
Benefits paid	(14.96)	(24.78)
Actuarial (gain)/ loss on obligations	8.77	1.25
<b>Present value of obligation as at the end of the year</b>	<b>116.51</b>	<b>104.83</b>
<b>ii) Change in Plan Assets:-</b>		
Fair value of Plan Assets as at the beginning of the year	78.94	86.84
Addition/ (Deletion) on account of transfer of employees from/ (to) subsidiaries	(0.07)	2.02
Expected return on Plan Assets	7.01	7.07
Contributions*	11.12	8.15
Benefits Paid	(14.96)	(24.78)
Actuarial (loss)/ gain on Plan Assets	(0.75)	(0.36)
<b>Fair value of Plan Assets as at the end of the year</b>	<b>81.29</b>	<b>78.94</b>

\* Contributions include recoveries from Associates and Subsidiaries.

\*Actuary's estimates of contributions for the next financial year is Rs. 47.80 Million (Previous year Rs. 37.03 Million).

Particulars	(Rs. Million)				
	March 31, 2017	March 31, 2016	As at March 31, 2015	March 31, 2014	March 31, 2013
iii) Amount of Asset/ (obligation) recognised in the Balance Sheet:-					
Fair value of Plan Assets as at the end of the year	81.29	78.94	86.84	89.07	88.77
Present value of obligation as at the end of the year	116.51	104.83	106.50	90.94	96.67
Asset/ (obligation) recognised in Balance Sheet	(35.22)	(25.89)	(19.66)	(1.87)	(7.90)

Particulars	(Rs. Million)	
	Year ended March 31, 2017	March 31, 2016
iv) Net Gratuity Cost recognised in Statement of Profit and Loss:-		
Current service cost	11.14	10.53
Interest cost	7.55	7.29
Plan Amendment Cost	(0.75)	-
Expected return on Plan Assets	(7.01)	(7.07)
Net Actuarial (gain)/ loss recognised during the year	9.52	1.62
Expense recognised in the Statement of Profit and Loss*	20.45	12.37
Actual return on plan assets	6.26	6.71

\*Includes Rs. 2.99 Million (Previous year Rs. 3.11 Million) towards contribution for Key Managerial Personnel.

\*The above cost is included under "Employee Benefits Expense" in Note 23.

v) Assumptions used in accounting for gratuity plan:-	Year ended	
	March 31, 2017	March 31, 2016
Discount Rate (Per annum)	7.00%	7.75%
Future Salary Increase	6.00%	6.00%
Expected Rate of return on plan assets	8.45%	9.10%

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

## vi) Investment details of Plan Assets:-

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

The expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

## 25 EMPLOYEES STOCK OPTION SCHEME

During the year 2005-06, the Company had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company 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. 2/- each (Rs.10/- each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

The summary of options granted is as follows:

Particulars	Grant V			Grant VI			Grant VII				
	Vest 3			Vest 3			Vest 2				
	2016-17	2015-16		2016-17	2015-16		2016-17	2015-16		2016-17	2015-16
Date of Grant	26-Oct-09	26-Oct-09	23-Jan-10	23-Jan-10	23-Jan-10		22-Oct-10	22-Oct-10		22-Oct-10	22-Oct-10
Date of Vesting	26-Oct-12	26-Oct-12	23-Jan-13	23-Jan-13	23-Jan-13		22-Oct-12	22-Oct-12		22-Oct-12	22-Oct-12
Live options at the beginning of the year (Nos.)	601,582	860,571	40,640	40,640	52,510		-	12,000		-	12,000
Granted during the year (Nos.)	-	-	-	-	-		-	-		-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-		-	-		-	-
Options Vested (Nos)	-	-	-	-	-		-	-		-	-
Forfeited/ lapsed post vesting (Nos)	37,760	148,909	6,950	6,950	10,480		-	12,000		-	12,000
Options exercised (Nos)	25,060	110,080	-	-	1,390		-	-		-	-
Outstanding/ exercisable at the end of the year (Nos)	538,762	601,582	33,690	33,690	40,640		-	-		-	-
Exercise Price (Rs.)	72.20	72.20	69.20	69.20	69.20		67.65	67.65		67.65	67.65
Remaining Contractual Life (Days)	-	-	-	-	-		-	-		-	-
Fair value of the options based on Black and Scholes Model (Rs.)	36.64	36.64	34.74	34.74	34.74		32.00	32.00		34.35	34.35
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-		-	-		-	-

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Particulars	Grant XI								
	Vest 1			Vest 2			Vest 3		
	2016-17	2015-16		2016-17	2015-16		2016-17	2015-16	
Date of Grant	17-Oct-14	17-Oct-14		17-Oct-14	17-Oct-14		17-Oct-14	17-Oct-14	
Date of Vesting	17-Oct-15	17-Oct-15		17-Oct-16	17-Oct-16		17-Oct-17	17-Oct-18	
Live options at the beginning of the year (Nos.)	200,000	200,000		200,000	200,000		200,000	200,000	
Granted during the year (Nos.)	-	-		-	-		-	-	
Forfeited/ lapsed till vesting period (Nos)	-	-		-	-		-	-	
Options Vested (Nos)	-	200,000		200,000	-		-	-	
Forfeited/ lapsed post vesting (Nos)	-	-		-	-		-	-	
Options exercised (Nos)	2,000	-		-	-		-	-	
Outstanding/ exercisable at the end of the year (Nos)	198,000	200,000		200,000	200,000		200,000	200,000	
Exercise Price (Rs.)	48.50	48.50		48.50	48.50		48.50	48.50	
Remaining Contractual Life (Days)	1,010	1,375		1,010	1,375		1,010	1,375	
Fair value of the options based on Black and Scholes Model (Rs.)	14.71	14.71		15.23	15.23		15.80	16.27	
Intrinsic Value of the options granted (Rs.)	-	-		-	-		-	-	

## NOTES to the Financial Statements for the year ended March 31, 2017

Contd..

The summary of options granted is as follows:

Particulars	Grant XII			Grant XIII			Grant XIV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Date of Grant	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Date of Vesting	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15
Live options at the beginning of the year (Nos.)	483,332	-	483,332	-	483,332	-	483,332	-	483,332
Granted during the year (Nos.)	-	533,332	-	533,332	-	533,332	-	533,332	-
Forfeited/ lapsed till vesting period (Nos.)	50,000	133,333	50,000	133,333	50,000	133,333	50,000	133,333	50,000
Options Vested (Nos)	433,332	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	58,333	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	374,999	483,332	349,999	483,332	350,002	483,336	359,973	498,299	418,301
Exercise Price (Rs.)	41.60	41.60	41.60	41.60	41.60	41.60	52.15	52.15	52.15
Remaining Contractual Life (Days)	1,555	1,911	2,276	2,276	2,641	2,641	1,569	1,934	2,299
Fair value of the options based on Black and Scholes Model (Rs.)	13.45	14.38	14.38	15.07	15.07	15.07	17.01	18.21	19.08
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-

Particulars	Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Date of Grant	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Date of Vesting	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16
Live options at the beginning of the year (Nos.)	30,000	-	30,000	-	30,000	-	-	-	-
Granted during the year (Nos.)	-	30,000	-	30,000	-	30,000	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	30,000	-	30,000	-	30,000	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	-	30,000	-	30,000	-	30,000	-	-	-
Exercise Price (Rs.)	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65
Remaining Contractual Life (Days)	1,754	2,119	2,484	2,484	2,849	2,849	2,136	2,501	2,866
Fair value of the options based on Black and Scholes Model (Rs.)	25.91	27.48	27.48	28.50	28.50	28.50	31.88	33.17	35.29
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-

## NOTES to the Financial Statements for the year ended March 31, 2017

Contd..

The assumptions used by independent valuers, for determination of fair value of a share of Rs. 2/- each fully paid up as per the Black & Scholes Model are as follows:

Particulars	Grant V			Grant VI			Grant VII			Grant IX			Grant X		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	72.2	69.2	67.65	67.65	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	49.75	49.75	49.75
Exercise price	72.2	69.2	67.65	67.65	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	49.75	49.75	49.75
Dividend yield	1.76%	1.76%	1.76%	1.76%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%
Volatility	61.68%	61.44%	63.40%	60.71%	39.04%	37.65%	48.22%	40.75%	39.51%	46.99%	43.53%	41.89%	40.55%	40.55%	40.55%
Average life of the options (in years)	4.5	4.5	4.5	4.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4.5	4.5	4.5
Risk free rate	7.19%	6.80%	7.56%	7.73%	8.68%	8.73%	8.76%	8.76%	8.76%	8.76%	8.76%	8.76%	8.76%	8.76%	8.76%

Particulars	Grant XI			Grant XII			Grant XIII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	48.5	48.5	48.5	48.5	41.60	41.60	41.60	41.60	52.15
Exercise price	48.5	48.5	48.5	48.5	41.60	41.60	41.60	41.60	52.15
Dividend yield	3.96%	3.96%	3.96%	3.96%	3.50%	3.50%	3.50%	3.50%	3.50%
Volatility	42.47%	41.13%	40.48%	39.82%	42.73%	41.13%	39.89%	43.53%	40.55%
Average life of the options (in years)	3.11	3.61	4.11	5.07	3.5	4.5	5.5	3.5	4.5
Risk free rate	8.48%	8.49%	8.50%	8.50%	7.95%	7.93%	7.92%	7.79%	7.90%

Particulars	Grant XIV			Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	75.65	75.65	75.65	83.30	83.30	83.30	83.30	83.30	83.30	73.60	73.60	73.60
Exercise price	75.65	75.65	75.65	83.30	83.30	83.30	83.30	83.30	83.30	73.60	73.60	73.60
Dividend yield	3.50%	3.50%	3.50%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%
Volatility	47.11%	47.11%	44.92%	48.89%	45.98%	44.05%	48.75%	45.93%	44.36%	45.93%	45.93%	44.36%
Average life of the options (in years)	3.5	3.5	4.5	3.5	4.5	5.5	3.5	4.5	5.5	3.5	4.5	5.5
Risk free rate	7.47%	7.47%	7.58%	7.67%	7.52%	7.52%	7.52%	6.41%	6.41%	6.41%	6.41%	6.41%

Other information regarding employees share based payment is as below:

Particulars	Grant IX			Grant X		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	-	0.42	0.35	1.11	0.82	0.94
					0.62	0.39
					0.80	0.13
					0.80	0.13

Particulars	Grant XI			Grant XII			Grant XIII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	-	1.61	0.83	1.52	1.05	0.81	0.81	0.67	0.67

Particulars	Grant XIV			Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	0.68	2.25	0.96	1.20	0.67	0.84	1.47	3.40	2.05	1.82	1.43	-

Particulars	Grant XIV			Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	-	0.16	-	0.08	-	0.06	1.92	1.01	0.70	0.18	0.10	0.07

\*Net of amount attributable to the employees of subsidiaries Rs. 9.93 Million (Previous year Rs. 13.21 Million)  
For impact on Basic and Dilutive EPS, had fair value of the option been used for determining ESOP expense, Refer Note 35.

(Rs. Million)

(Rs. Million)

### 26 FINANCE COSTS

	Year ended March 31, 2017	March 31, 2016
Interest Expense	213.97	188.98
Other Borrowing Costs	12.19	6.28
	<u>226.16</u>	<u>195.26</u>

(Rs. Million)

### 27 OTHER EXPENSES

[Refer Note 37]

	Year ended March 31, 2017	March 31, 2016
Equipment Hiring	199.28	159.88
Royalties	70.85	70.26
Freight and Cartage	4.96	12.00
Rent (net of recoveries)	163.90	205.46
Rates and Taxes	4.26	6.51
Power & Fuel	60.22	73.39
Communication	92.47	87.49
Legal and Professional (Refer note 28 below)	105.92	125.34
Travelling and Conveyance	199.88	211.31
Provision for Doubtful Debts	58.07	21.46
Bad debts Written off	1.01	14.12
Less:-Provision for Doubtful Debts written back	-	(14.12)
Provision for Unbilled Revenue	0.25	2.54
Provision for Doubtful Advances and Deposits	0.38	0.66
Advances Written off	0.10	2.20
Insurance	6.96	8.13
Repairs and Maintenance		
- Plant and Machinery	21.93	28.46
- Buildings	2.99	2.47
- Others	50.49	52.75
Consumables	29.55	20.61
Loss on Foreign Currency Translation and Transaction (net)	14.21	-
Security and Administration Services	29.86	24.02
Bank Charges	7.81	14.82
Marketing & Advertising Expenses	235.29	268.06
Discounts & Rebates	13.09	41.95
Sundry Expenses	16.53	21.73
	<u>1,390.26</u>	<u>1,461.50</u>

(Rs. Million)

### 28 PAYMENT TO AUDITORS

	Year ended March 31, 2017	Year ended March 31, 2016
As Auditor		
-Audit Fee	6.99	6.99
-Tax Audit Fee	0.55	0.55
-Limited Review Fee	1.65	1.65
Other Certification Fee*	0.56	0.49
Reimbursement of expenses (including service tax)	1.94	2.32
	<u>11.69</u>	<u>12.00</u>

\* Net of Rs. 0.02 Million recovered from promoters (Refer Note 31)

(Rs. Million)

29 EXCEPTIONAL ITEMS(net) Income/ (Expenditure)	Year ended	
	March 31, 2017	March 31, 2016
Provision for doubtful loans, debts and other balances written back	39.35	8.95
Expenses incurred for retrospective change in legislation	-	(4.49)
Provision for business support on account of change in delivery technology written back	-	17.42
<b>Total</b>	<b>39.35</b>	<b>21.88</b>

Exceptional items as above comprise, items of income/(expenditure), arising from ordinary activities of the Company of such size, nature or incidence that their separate disclosure is considered appropriate to better explain the performance for the year.

- (i) During the year, the Company has collected Rs. 29.70 Million (Previous year Rs. 8.95 Million) towards loans, debts and other balances recoverable from its wholly owned subsidiary Mindchampion Learning Systems Limited for which provision was recognised as an exceptional item in the earlier years now written back.
  - (ii) During the year, the Company has written back provisions amounting to Rs. 9.65 Million (Previous year Nil) for doubtful debts and advances recoverable for which provisions were recognised as exceptional items in earlier years based on collections received.
  - (iii) During the previous year the Company had created an additional provision for bonus of Rs. 4.49 Million 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.
  - (iv) In earlier years, the Company had made provision for inventory aggregating to Rs. 3.21 Million lying with the Company for business support amounting to Rs. 39.77 Million as one time credit to eligible business partners out of which an amount of Rs. 17.42 Million was written back in previous year upon settlement of claims of the eligible business partners.
- 30 During the year, the Company has acquired the business from Perceptron Learning Solutions Private Limited ('Perceptron'). The strategic acquisition is expected to bring complementary technology platforms and capabilities to the Company.

The acquisition was made for an aggregate consideration of Rs. 24.85 Million. Out of the total consideration, Rs. 14.85 Million was paid during the year and Rs. 10 Million is payable based on achievement of performance based milestone. The purchase price has been allocated between the fair values of assets & liabilities based on an independent valuation report as a result of which a goodwill of Rs. 19.77 Million has been recognised in these financial statements.

- 31 The Board of Directors of the Company has, in its meeting held on March 24, 2017, approved the amalgamation of PIPL Management Consultancy and Investment Private Limited ("PMPL") and Global Consultancy and Investment Private Limited ("GCPL") with NIIT Limited ("the Company or NIIT") by way of and in accordance with a scheme of amalgamation as per the provisions of Sections 230 to 232 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Scheme"). PMPL and GCPL hold 15.30% & 15.64% equity shares of NIIT Limited respectively and form part of promoter/ promoter group of NIIT Ltd. From the effective date, pursuant to the Scheme, the entire shareholding of PMPL and GCPL in the Company shall stand cancelled and the equivalent shares of the Company shall be re-issued to the shareholders of PMPL and GCPL as on the record date to be fixed for the purpose. Pursuant to the proposed amalgamation of PMPL and GCPL with the Company, there will be no change in the promoter's shareholding in the Company. All cost and charges arising out of this proposed scheme of amalgamation shall be borne by the promoter/ promoter group.

The aforesaid Scheme is subject to various regulatory and other approvals and sanction by National Company Law Tribunal, New Delhi Bench and accordingly, not reflected in these financial statements.

### 32. CIF VALUE OF IMPORTS

(Rs. Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Purchase of Traded Goods	55.87	113.36
Capital Goods	0.56	-

### 33. EXPENDITURE IN FOREIGN CURRENCY

(Rs. Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Employees Benefits Expense	37.40	70.28
Professional and Technical Outsourcing Expense	149.64	137.83
Legal & Professional	0.32	1.32
Traveling and Conveyance	22.29	24.08
Others	2.61	25.70

### 34. EARNINGS IN FOREIGN CURRENCY

(Rs. Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Export of Services & Products	1,527.41	1,594.17
Recovery from Overseas Subsidiaries & Branches	125.13	114.58

### 35. EARNINGS PER SHARE

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit/ (loss) attributable to Equity Shareholders (Rs. Million) - (A)	(50.70)	1.09
Weighted average number of Equity Shares outstanding during the year (Nos.) - (B)	165,635,165	165,283,877
Nominal Value of Equity Shares (Rs.)	2/-	2/-
Basic Earnings/ (loss) per Share (Rs.) (A/B)	(0.31)	0.01
Add : Effect of Potential Dilutive Shares (being employee stock options) (Nos.)	1,979,822	2,334,759
Weighted average Shares outstanding considered for determining Diluted Earnings/ (loss) per Share (Nos.) - (C)	167,614,987	167,618,636
Profit/ (loss) after considering increased earnings of Dilutive Shares (Rs. Million) (D)	(50.70)	1.09
Diluted Earnings/ (loss) per Share (Rs.) (D/C)*	(0.31)	0.01

**EARNINGS PER SHARE {had fair value method been employed for accounting of employee stock options (Refer Note 25)}**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit/ (loss) attributable to Equity Shareholders (Rs. Million) -(E)	(67.00)	(20.19)
Profit/ (loss) attributable to Equity Shareholders with diluted equity shares (Rs. Million) -(F)	(67.00)	(20.19)
Basic Earnings/ (loss) per Share (Rs.) (E/B)	(0.40)	(0.12)
Diluted Earnings/ (loss) per Share (Rs.) (F/C)*	(0.40)	(0.12)

\*As the impact of dilution is anti-dilutive, the basic and diluted earning/ (loss) per share remains the same.

### 36 RELATED PARTY TRANSACTIONS AS PER ACCOUNTING STANDARD 18:

#### A. Related party relationship where control exists:

##### Subsidiaries

- 1 Mindchampion Learning Systems Limited
- 2 NIIT Yuva Jyoti Limited
- 3 NIIT Institute of Finance Banking and Insurance Training Limited
- 4 NIIT Institute of Process Excellence Limited
- 5 NIIT Limited, UK
- 6 NIIT Antilles NV, Netherlands Antilles
- 7 NIIT Malaysia Sdn. Bhd, Malaysia
- 8 NIIT GC Limited, Mauritius
- 9 NIIT China (Shanghai) Limited, Shanghai, China
- 10 NIIT Wuxi Service Outsourcing Training School, China
- 11 Chongqing NIIT Education Consulting Limited, China
- 12 Wuxi NIIT Information Technology Consulting Limited, China
- 13 Changzhou NIIT Information Technology Consulting Limited, China
- 14 Su Zhou NIIT Information Technology Consulting Limited, China
- 15 NIIT (USA) Inc., USA
- 16 PT NIIT Indonesia, Indonesia (Under liquidation)
- 17 NIIT West Africa Limited, Nigeria
- 18 Qingdao NIIT Information Technology Company Limited , China
- 19 Chongqing An Dao Education Consulting Limited , China
- 20 Zhangjiagang NIIT Information Services Limited , China
- 21 Chengmai NIIT Information Technology Company Limited , China
- 22 NIIT Ireland Limited, Ireland
- 23 Dafeng NIIT Information Technology Co., Limited, China
- 24 Guizhou NIIT Information Technology consulting Co., Limited, China
- 25 NIIT Learning Solutions (Canada) Limited, Canada
- 26 NIIT (Guizhou) Education Technology Co., Limited, China

#### B. Other related parties with whom the Company has transacted:

##### a) Associates (Parties in which Company has substantial interest)

- 1 NIIT Technologies Limited
- 2 NIIT GIS Limited
- 3 NIIT Smart Serve Limited

##### b) Key Managerial Personnel

- 1 Rajendra S Pawar (Chairman)
- 2 Vijay K Thadani (Vice-Chairman & Managing Director)
- 3 P Rajendran (Joint Managing Director)
- 4 Rahul Keshav Patwardhan (Chief Executive Officer w.e.f. May 28, 2015)
- 5 Rohit Kumar Gupta (Chief Financial Officer till February 28, 2017)
- 6 Amit Roy (Chief Financial Officer w.e.f. March 01, 2017 )

### c) Relatives of Key Managerial Personnel

- 1 Renuka Thadani (Wife of Vijay K Thadani)
- 2 Veena Oberoi (Sister of Vijay K Thadani)

### d) Parties in which the Key Managerial Personnel of the Company are interested

- 1 NIIT Institute of Information Technology
- 2 NIIT Foundation (formerly known as NIIT Education Society)
- 3 NIIT University
- 4 Pace Industries Private Limited
- 5 NIIT Network Services Limited
- 6 Naya Bazaar Novelties Private Limited

### C. Details of significant transactions with related parties described above carried out :

(Rs. Million)

Nature of Transactions	Subsidiaries	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Purchase of Goods	-	-	-	-	0.36	0.36
{Footnote (ii)}	(5.38)	(-)	(-)	(-)	(0.53)	(5.91)
Purchase of Fixed Assets (including services received for development of intangible assets)	-	-	-	-	-	-
{Footnote (iii)}	(11.08)	(-)	(-)	(-)	(-)	(11.08)
Sale of Fixed Assets	0.10	-	-	-	-	0.10
{Footnote (iv)}	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Goods	-	-	-	-	5.10	5.10
{Footnote (v)}	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Services	1,072.91	3.35	-	-	4.69	1,080.95
{Footnote (v)(a)}	(1,246.60)	(1.94)	(-)	(-)	(0.76)	(1,249.30)
Purchase of Services - Professional Technical & Outsourcing Services	53.18	-	-	-	0.88	54.06
{Footnote (vi)}	(14.95)	(-)	(-)	(-)	(0.30)	(15.25)
Purchase of Services -Others	-	21.58	-	-	7.98	29.56
{Footnote (vii)}	-	(21.48)	(-)	(-)	(0.46)	(21.94)
Recovery from subsidiaries for Management Services	144.57	-	-	-	-	144.57
{Footnote (viii)}	(133.92)	(-)	(-)	(-)	(-)	(133.92)
Recovery of Employee Benefits expenses from	0.50	-	-	-	0.08	0.58
{Footnote (ix)}	(6.78)	(0.21)	(-)	(-)	(0.05)	(7.04)
Recovery of Professional Technical & Outsourcing expenses from	0.14	-	-	-	0.02	0.16
{Footnote (x)}	(0.01)	(-)	(-)	(-)	(-)	(0.01)

Recovery of other expenses from {Footnote (xi)}	42.24 (61.41)	0.25 (1.06)	0.24 (-)	- (-)	3.02 (2.80)	45.75 (65.27)
Recovery of other expenses from under the head other income {Footnote (xii)}	7.29 (13.85)	0.01 (0.04)	- (-)	- (-)	1.46 (1.11)	8.76 (15.00)
Recovery of Employee Benefits expenses by {Footnote (xiii)}	- (0.07)	- (-)	- (-)	- (-)	- (-)	- (0.07)
Recovery of Professional Technical & Outsourcing expenses by {Footnote (xiv)}	75.71 (94.03)	- (-)	- (-)	- (-)	7.59 (1.95)	83.30 (95.98)
Recovery of other expenses by {Footnote (xv)}	12.88 (37.99)	0.29 (0.04)	- (-)	1.02 (1.82)	0.17 (10.07)	14.36 (49.92)
Royalty paid {Footnote (xvi)}	46.71 (53.77)	- (-)	- (-)	- (-)	- (-)	46.71 (53.77)
Investments made {Footnote (xvii)}	160.00 (10.78)	- (-)	- (-)	- (-)	- (-)	160.00 (10.78)
-Loans Given {Footnote (xviii)}	213.00 (278.00)	- (-)	- (-)	- (-)	- (-)	213.00 (278.00)
-Loans Given Received Back {Footnote (xix)}	520.70 (70.00)	- (-)	- (-)	- (-)	- (-)	520.70 (70.00)
-Inter Corporate Deposits Taken {Footnote (xx)}	164.00 (85.00)	- (-)	- (-)	- (-)	- (-)	164.00 (85.00)
-Inter Corporate Deposits Repaid {Footnote (xxi)}	85.00 (-)	- (-)	- (-)	- (-)	- (-)	85.00 (-)
-Interest Income {Footnote (xxii)}	26.20 (26.93)	- (-)	- (-)	- (-)	- (-)	26.20 (26.93)
- Interest expenditure {Footnote (xxiii)}	12.51 (6.19)	- (-)	- (-)	- (-)	- (-)	12.51 (6.19)
Remuneration {Footnote (xxiv)}	- (-)	- (-)	92.16 (79.66)	- (-)	- (-)	92.16 (79.66)
Other Income {Footnote (xxv)}	17.16 (18.34)	- (-)	- (-)	- (-)	- (-)	17.16 (18.34)
Dividend Income {Footnote (xxvi)}	- (-)	144.93 (137.69)	- (-)	- (-)	- (-)	144.93 (137.69)
Corporate Guarantee Charges (included in Other Non-Operating Income) {Footnote (xxvii)}	3.45 (3.61)	- (-)	- (-)	- (-)	- (-)	3.45 (3.61)
Guarantee & Collaterals {Footnote (xxviii)}	660.00 (-)	- (-)	- (-)	- (-)	- (-)	660.00 (-)

Note:- Refer Notes 19 and 20 for guarantees, collaterals and commitments.

### Footnotes:-

i) Previous year figures are given in parenthesis.

**ii) Includes Purchase of Goods from:**

Naya Bazaar Novelties Pvt. Limited Rs. 0.36 Million (Previous year Rs. 0.53 Million)

Mindchampion Learning Systems Limited Rs. Nil (Previous year Rs. 0.87 Million)

NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 0.16 Million)

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. Nil (Previous year Rs. 4.35 Million)

**iii) Includes Purchase of Fixed Assets (including services received for development of intangible assets) from:**

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. Nil (Previous year Rs. 11.08 Million)

**iv) Includes Sale of Fixed Assets to:**

NIIT Yuva Jyoti Limited Rs. 0.10 Million (Previous year Rs. Nil)

**v) Includes Sale of Goods to:**

NIIT Foundation Rs. 5.10 Million (Previous year Rs. Nil)

**v(a) Includes Sale of Services to:**

NIIT (USA) Inc. and Branches Rs. 641.82 Million (Previous year Rs. 897.94 Million)

NIIT Antilles NV, Netherlands Antilles Rs. 32.58 Million (Previous year Rs. 56.71 Million)

NIIT Limited, UK and Branches Rs. 240.82 Million (Previous year Rs. 246.89 Million)

NIIT Technologies Limited Rs. 3.35 Million (Previous year Rs. 1.94 Million)

NIIT Institute of Process Excellence Limited Rs. Nil (Previous year Rs. 0.19 Million)

NIIT Malaysia, Sdn, Bhd Rs. 4.08 Million (Previous year Rs. 1.30 Million)

NIIT University Rs. Nil (Previous year Rs. 0.76 Million)

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 77.46 Million (Previous year Rs. 43.57 Million)

NIIT Learning Solutions (Canada) Limited Rs. 5.05 Million (Previous year Rs. Nil)

NIIT Ireland Limited Rs. 71.10 Million (Previous year Rs. Nil)

NIIT Foundation Rs. 4.69 Million (Previous year Rs. Nil)

**vi) Includes Purchase of services- Professional and Technical Outsourcing Expense from:**

Mindchampion Learning Systems Limited Rs. Nil (Previous year Rs. 0.06 Million)

NIIT University Rs. 0.88 Million (Previous year Rs. 0.30 Million)

NIIT Ireland Limited and branches Rs. 11.37 Million (Previous year Rs. Nil)

NIIT Institute of Process Excellence Limited Rs. 10.92 Million (Previous year Rs. 8.73 Million)

NIIT Malaysia, Sdn, Bhd Rs. 0.06 Million (Previous year Rs. Nil)

NIIT USA Inc. Rs. 30.82 Million (Previous year Rs. Nil)

NIIT Limited, UK Norway branch Rs. Nil (Previous year Rs. 6.16 Million)

**vii) Includes Purchase of services- Others from:**

NIIT Technologies Limited Rs. 21.58 Million (Previous year Rs. 21.48 Million)

NIIT University Rs. 7.98 Million (Previous year Rs. 0.32 Million)

NIIT Network Services Limited Rs. Nil (Previous year Rs. 0.14 Million)

**viii) Includes Recovery from subsidiaries for Management Services:**

NIIT Antilles N.V. Rs. 1.26 Million (Previous year Rs. 1.85 Million)

NIIT China (Shanghai) Limited Rs. 22.30 Million (Previous year Rs. 20.57 Million)

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 1.91 Million (Previous year Rs. 5.29 Million)

NIIT Institute of Process Excellence Limited Rs. 5.77 Million (Previous year Rs. 6.19 Million)  
NIIT (USA) Inc. Rs. 42.32 Million (Previous year Rs. 40.31 Million)  
NIIT Yuva Jyoti Limited Rs. 5.09 Million (Previous year Rs. 4.41 Million)  
NIIT Limited, UK and branches Rs. 33.94 Million (Previous year Rs. 26.26 Million)  
NIIT Ireland Limited and branches Rs. 4.17 Million (Previous year Rs. 0.02 Million)  
Mindchampion Learning Systems Limited Rs. 25.36 Million (Previous year Rs. 28.22 Million)  
NIIT Learning Solutions (Canada) Limited Rs. 1.55 Million (Previous year Rs. Nil)  
NIIT Malaysia, Sdn, Bhd Rs. 0.90 Million (Previous year Rs. 0.80 Million)

**ix) Includes Recovery of Employee Benefit Expenses from:**

NIIT University Rs. 0.06 Million (Previous year Rs. 0.04 Million)  
NIIT Institute of Finance Banking and Insurance Training Limited Rs. 0.02 Million (Previous year Rs. 3.70 Million)  
NIIT Yuva Jyoti Limited Rs. 0.08 Million (Previous year Rs. 2.64 Million)  
Mindchampion Learning Systems Limited Rs. 0.37 Million (Previous year Rs. 0.42 Million)  
NIIT Institute of Process Excellence Limited Rs. 0.03 Million (Previous year Rs. 0.02 Million)  
NIIT Technologies Limited Rs. Nil (Previous year Rs. 0.21 Million)  
NIIT Foundation Rs. 0.02 Million (Previous year Rs. 0.01 Million)

**x) Includes Recovery of Professional technical and outsourcing expenses from:**

Mindchampion Learning Systems Limited Rs. 0.09 Million (Previous year Rs. 0.01 Million)  
NIIT Yuva Jyoti Limited Rs. 0.03 Million (Previous year Rs. Nil)  
NIIT Institute of Process Excellence Limited Rs. 0.02 Million (Previous year Rs. Nil)  
NIIT University Rs. 0.02 Million (Previous year Rs. Nil)

**xi) Includes Recovery of other Expenses from:**

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 0.84 Million (Previous year Rs. 9.16 Million)  
NIIT (USA) Inc. Rs. 10.88 Million (Previous year Rs. 13.31 Million)  
NIIT Yuva Jyoti Limited Rs. 2.24 Million (Previous year Rs. 2.74 Million)  
Mindchampion Learning Systems Limited Rs. 11.96 Million (Previous year Rs. 17.83 Million)  
NIIT Antilles N.V. Rs. 0.59 Million (Previous year Rs. Nil)  
NIIT Institute of Process Excellence Limited Rs. 1.01 Million (Previous year Rs. 2.93 Million)  
NIIT Ireland Limited Rs. Nil (Previous year Rs. 0.01 Million)  
NIIT University Rs. 1.99 Million (Previous year Rs. 1.55 Million)  
NIIT Limited, UK Rs. 14.73 Million (Previous year Rs. 15.43 Million)  
NIIT Technologies Limited Rs. 0.22 Million (Previous year Rs. 1.04 Million)  
NIIT Foundation Rs. 1.02 Million (Previous year Rs. 1.25 Million)  
NIIT GIS Limited Rs. 0.03 Million (Previous year Rs. 0.02 Million)  
Vijay K Thadani Rs. 0.12 Million (Previous year Rs. Nil)  
Rajendra S Pawar 0.12 Million (Previous year Rs. Nil)

**xii) Includes Recovery of other expenses from under the head other income:**

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 0.04 Million (Previous year Rs. 1.67 Million)  
NIIT Yuva Jyoti Limited Rs. 1.21 Million (Previous year Rs. 2.99 Million)  
NIIT China (Shanghai) Limited Rs. Nil (Previous year Rs. 3.18 Million)  
Mindchampion Learning Systems Limited Rs. 5.26 Million (Previous year Rs. 5.62 Million)  
NIIT Institute of Process Excellence Limited Rs. 0.78 Million (Previous year Rs. 0.39 Million)

NIIT University Rs. 1.36 Million (Previous year Rs. 0.95 Million)  
NIIT Technologies Limited Rs. 0.01 Million (Previous year Rs. 0.04 Million)  
NIIT Foundation Rs. 0.10 Million (Previous year Rs. 0.16 Million)

**xiii) Includes Recovery of Employee benefit Expenses by:**

NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 0.07 Million)

**xiv) Includes Recovery of Professional technical and outsourcing expenses by**

NIIT Institute of Finance Banking and Insurance Training Limited Rs. Nil (Previous year Rs. 16.87 Million)  
NIIT Limited UK Rs. 75.71 Million (Previous year Rs. 61.77 Million)  
NIIT (USA) Inc. Rs. Nil (Previous year Rs. 15.39 Million)  
NIIT University Rs. 7.59 Million (Previous year Rs. 1.95 Million)

**xv) Includes Recovery of other Expenses by:**

Mindchampion Learning Systems Limited Rs. 0.49 Million (Previous year Rs. 1.69 Million)  
NIIT Institute of Finance Banking and Insurance Training Limited Rs. Nil (Previous year Rs. 1.06 Million)  
NIIT (USA) Inc. Rs. 9.35 Million (Previous year Rs. 18.30 Million)  
NIIT Limited UK Rs. 3.04 Million (Previous year Rs. Nil)  
NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 16.94 Million)  
Renuka Thadani Rs. 0.90 Million (Previous year Rs. 1.09 Million)  
Veena Oberoi Rs. 0.12 Million (Previous year Rs. 0.73 Million)  
NIIT Network Services Limited Rs. 0.05 Million (Previous year Rs. Nil)  
NIIT University Rs. Nil (Previous year Rs. 9.22 Million)  
NIIT Foundation Rs. Nil (Previous year Rs. 0.12 Million)  
NIIT Technologies Ltd Rs. 0.29 Million (Previous year Rs. 0.04 Million)  
Pace Industries Pvt. Ltd. Rs. 0.12 Million (Previous year Rs. 0.73 Million)

**xvi) Includes Royalty paid to:**

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 35.28 Million (Previous year Rs. 36.53 Million)  
NIIT Yuva Jyoti Limited Rs. 11.43 Million (Previous year Rs. 17.24 Million)

**xvii) Represents Investments made in:**

NIIT Ireland Limited Rs. Nil (Previous year Rs. 10.78 Million)  
NIIT Yuva Jyoti Limited Rs. 160 Million (Previous year Rs. Nil)

**xviii) Loans Given relates to:**

NIIT Yuva Jyoti Limited Rs. 135 Million (Previous year Rs. Nil)  
Mindchampion Learning Systems Limited Rs. 78 Million (Previous year Rs. 278 Million)

**xix) Loans Given Received Back relates to:**

NIIT Yuva Jyoti Limited Rs. 135 Million (Previous year Rs. Nil)  
Mindchampion Learning Systems Limited Rs. 385.70 Million (Previous year Rs. 25 Million)

**xx) Inter Corporate Deposits Taken from:**

NIIT Institute of Process Excellence Limited Rs. 124 Million (Previous year Rs. 85 Million)  
NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 40 Million (Previous year Rs. Nil)

**xxi) Inter Corporate Deposits Repaid:**

NIIT Institute of Process Excellence Limited Rs. 85 Million (Previous year Rs. Nil)

**xxii) Interest Income from:**

Mindchampion Learning Systems Limited Rs. 22.36 Million (Previous year Rs. 26.43 Million)

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. Nil (Previous year Rs 0.50 Million)

NIIT Yuva Jyoti Limited Rs. 3.84 Million (Previous year Rs. Nil)

**xxiii) Interest Expenditure includes:**

NIIT Institute of Process Excellence Limited Rs. 10.96 Million (Previous year Rs. 6.19 Million)

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 1.54 Million (Previous year Rs. Nil)

**xxiv) Remuneration to:**

Vijay K Thadani Rs. 15.56 Million (Previous year Rs. 15.62 Million)

P Rajendran Rs. 14.49 Million (Previous year Rs. 16.93 Million)

Rahul Keshav Patwardhan Rs. 47.33 Million (Previous year Rs. 32.28 Million)

Rohit Kumar Gupta Rs. 14.42 Million (Previous year Rs. 14.83 Million)

Amit Roy Rs. 0.36 Million (Previous year Rs. Nil)

**xxv) Other Income includes:**

NIIT Antilles NV, Netherlands Antilles Rs. 17.16 (Previous year Rs. 18.34 Million)

**xxvi) Dividend Income includes:**

NIIT Technologies Limited Rs. 144.93 Million (Previous year Rs. 137.69 Million)

**xxvii) Corporate Guarantee Charges (included in other Non-Operating Income)**

NIIT USA Inc. Rs. 1.53 Million (Previous year Rs. 2.90 Million)

NIIT Yuva Jyoti Limited Rs. 0.64 Million (Previous year Rs. 0.71 Million)

Mindchampion Learning Systems Limited Rs. 1.28 Million (Previous year Rs. Nil)

**xxviii) Guarantee & Collaterals**

Mindchampion Learning Systems Limited Rs. 450 Million (Previous year Rs. Nil)

NIIT Yuva Jyoti Limited Rs. 210 Million (Previous year Rs. Nil)

**D. Outstanding balances (in respect of related parties in A & B above):**

(Rs. Million)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Recoverable	Payables	Recoverable	Payables
Subsidiaries	421.71	99.89	810.62	173.46
Associates	0.19	3.04	8.26	12.48
Key Managerial Personnel	1.46	0.14	0.03	0.13
Parties in which Key Managerial Personnel of the Company are interested	10.17	1.72	2.90	8.15

**Footnotes:-**

(i) Refer Notes 19 and 20 for guarantees, collaterals and commitments as at the year end.

- 37 The Company internally develops software tools, platforms and content/courseware. The management estimates that this would result in enhanced productivity and offer more technology based learning products/ solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the abovementioned assets. The costs incurred during the year towards the development are as follows:

Description	(Rs. Million)	
	Year ended March 31, 2017	Year ended March 31, 2016
Opening Capital Work-in progress	13.90	35.05
Add:-Expenditure during the Year		
Salary and other Employee Benefits	73.69	61.10
Professional & Technical Outsourcing Expense	25.48	5.29
Rent	4.20	4.33
Other Expenses	6.21	7.99
Less:-Intangible capitalised during the year	(23.20)	(99.86)
<b>Closing Capital Work-in progress</b>	<b>100.28</b>	<b>13.90</b>

- 38 Disclosure pursuant to Clause 32 of Listing Agreement in respect of loans given to subsidiaries and other parties in which Key Managerial Personnel are interested:

Name of Company	(Rs. Million)			
	Outstanding		Maximum Balance during the year	
	As at March 31, 2017	As at March 31, 2016	2016-17	2015-16
Mindchampion Learning Systems Limited	-	307.70	285.70	332.70
NIIT Institute of Finance Banking and Insurance Training Limited	-	-	-	45.00
NIIT Yuva Jyoti Limited	-	-	135.00	-
<b>Total</b>	<b>-</b>	<b>307.70</b>	<b>420.70</b>	<b>377.70</b>

### 39 SEGMENT INFORMATION

#### Primary Segment Information – Business Segment

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.

#### Secondary Segment Information – Geographical

The secondary segment information in relation to the geographies is as follows:

Particulars	(Rs. Million)		
	Revenue from customers by location of customers	Carrying amount of segment assets by location of the assets	Additions to fixed assets (including intangible assets under development)
India	2,135.45 (2,092.58)	11,133.54 (11,329.19)	237.34 (305.63)
America	660.96 (899.74)	- (-)	- (-)
Europe	821.01 (689.35)	- (-)	- (-)
Asia Pacific	35.26 (132.82)	0.32 (1.74)	- (-)
Others	10.18 (-)	- (-)	- (-)
<b>Total</b>	<b>3,662.86 (3,814.49)</b>	<b>11,133.86 (11,330.93)</b>	<b>237.34 (305.63)</b>

Previous year figures are given in parenthesis.

### 40 LEASES

#### a) Operating Leases:

i. Aggregate payments during the year under operating leases are as shown hereunder:

(Rs. Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
In respect of Premises*	146.38	188.14
In respect of Equipments**	176.86	137.84
In respect of Vehicles	22.12	22.02

\* Includes payment in respect of premises for office and employee accommodation.

\*\* Includes payment in respect of computers, printers and other equipments.

ii. Details of Fixed Assets given on Operating Lease:

(Rs. Million)

Description of Assets	As at March 31, 2017			As at March 31, 2016		
	Gross Value	Accumulated Depreciation	Net Book Value	Gross Value	Accumulated Depreciation	Net Book Value
Buildings	9.95	3.23	6.72	-	-	-

The aggregate depreciation charged on the above assets during the year is Rs. 0.18 Million (Previous year Nil).

The assets have been given on the lease during the year.

### 41 Derivative instruments and unhedged foreign currency exposure

The Company's activities are expose to market risk and in order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts and foreign currency swap contracts are used to hedge certain foreign currency risk exposures and not as trading or speculative instruments.

Risk management is predominately controlled by a treasury department of the Company under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risks, use of derivative financial instruments and non-derivative financial instruments.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

For managing its foreign exchange risk, the Company undertakes forward covers for existing receivables balances and/or future commitment transactions. For risks related to variability of interest rates on long term borrowings, the company has undertaken interest rate swaps.

a) The Company has the following unhedged foreign currency exposure as at the year end:

Particulars	Currency	As at March 31, 2017		As at March 31, 2016	
		Amount in respective currency (Million)	Amount (Rs. Million)	Amount in respective currency (Million)	Amount (Rs. Million)
Trade Receivables	AUD	0.00	0.03	0.01	0.31
	CAD	0.12	6.06	-	-
	EUR	0.46	33.10	0.01	1.11
	GBP	-	-	2.10	200.01
	MYR	0.10	1.56	0.09	1.58
	SGD	0.03	0.79	0.03	1.32
	USD	-	-	4.48	296.68
	CNY	2.03	20.23	2.27	23.34
Trade Payables	AUD	-	-	0.00	0.03
	EUR	0.15	10.91	0.01	0.40
	GBP	0.07	5.44	0.18	17.11
	NOK	3.97	32.01	4.05	32.47
	QAR	0.03	0.58	-	-
	THB	0.02	0.05	-	-
	SGD	-	-	0.00	0.06
	USD	0.68	45.31	0.83	54.60
Bank Balances	HKD	-	-	0.00	0.04
	NOK	0.00	0.02	-	-
	USD	0.00	0.20	0.00	0.29

b) The Company has taken forward covers against forecast sales which are expected to occur in next 12 months. The Company has not designated these as effective hedges and has accounted for the mark to market gain of Rs. 18.33 Million (previous year Nil) to the Statement of Profit and Loss with a corresponding debit to Derivative Instrument Fair Value Asset.

c) The Company's main interest rate risk arises from long-term borrowings in foreign currency with variable rates, which expose the group to cash flow interest rate and exchange risks. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is as follows:

Particulars	USD (Mn)	INR (Mn)	Interest Rates
Variable rate borrowings -1	16.05	1,000	USD 1M Libor + 175 bps
Variable rate borrowings -2	9.05	600	USD 1M Libor + 215 bps

d) At the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:-

Particulars	Weighted average interest rate	Balance	% of total loans
Interest rate swaps (notional principal amounts)	10.25%	1,628.03	90.85%

e) Movement in cash flow hedging reserve on account of cross currency interest rate swap:

Risk Category	Foreign currency risk	Interest rate risk	Total
Derivative	Foreign exchange forward contracts	Interest rate swap	
As at 31st March, 2016	68.17	(5.33)	62.84
Exchange Gain/ (loss) on derivative	(33.05)	(1.34)	(34.39)
Mark to Market Gain/ (loss) on derivative (Refer note 4)	29.14	-	29.14
<b>As at 31st March, 2017</b>	<b>64.26</b>	<b>(6.67)</b>	<b>57.59</b>

42 As required by the MCA notification G.S.R. 308(E) dated March 3, 2017, disclosure relating to Specified Bank Notes\* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016 is as below.

(Rs. Million)

Particulars	SBNs	Other denomination notes	Money Lying with Service Providers [Refer Note (a) below]	Total
Closing cash in hand as at November 8, 2016	4.86	0.38	5.79	11.03
(+) Permitted receipts	-	18.96	-	18.96
(+) Non-permitted receipts	-	-	-	-
(-) Permitted payments	-	0.16	-	0.16
(-) Cash paid for non-permitted transactions	-	-	-	-
(-) Amount deposited in banks	4.86	18.04	-	22.90
<b>Closing cash in hand as at December 30, 2016</b>	<b>-</b>	<b>1.14</b>	<b>5.79</b>	<b>6.93</b>

\* SBNs mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O.3407(E), dated November 8, 2016.

- a) The above information includes currency aggregating Rs. 5.79 Million which were lying with 70 Service Providers of the Company and the Company is in the process of arranging the above details from the service providers. Subsequent to December 30, 2016 an amount of Rs. 3.71 Million has been received by the company from service providers through banking channels and balance amount is debited to their account subsequent to year end.

**43** During the previous year, the Company had initiated steps to consolidate physical and manpower capacity across its various course offerings which were spread across its own and network centres of the Company and its subsidiaries. As a result, the Company acquired the tangible fixed assets, order book, inventories and student advances of the respective subsidiaries effective from July 1, 2015, pursuant to the arrangements entered into with the respective subsidiaries. Pursuant to those arrangements, w.e.f. July 1, 2015, the Company provided training and courseware to students at its own centres and sourcing content from the respective subsidiaries. These arrangements were duly approved by Board of Directors of the Company.

**44** Previous year figures have been regrouped/ reclassified to conform the current year classification. Figures for the previous years are not comparable pursuant to the effect of the arrangements as stated in Note 43 above.

The accompanying Notes form an integral part of these financial statements.

For and on behalf of the Board

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

**Rajendra S Pawar**  
*Chairman*  
DIN - 00042516

**Vijay K Thadani**  
*Vice-Chairman & Managing Director*  
DIN - 00042527

**Anupam Dhawan**  
*Partner*  
Membership No. 084451  
Place : Gurugram  
Date : May 17, 2017

**Amit Roy**  
*Chief Financial Officer*

**Deepak Bansal**  
*Company Secretary*

## 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, 2017, 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 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.
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 sub paragraph 8 of 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, 2017, 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 24 subsidiaries whose financial statements reflect total assets of Rs. 13,894 million and net assets of Rs. 8,661 million as at March 31, 2017, total revenue of Rs. 5,895 million, net profit of Rs. 545 million and net cash flows amounting to Rs 7.48 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 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, 2017 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, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the 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, 2017 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, 2017—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, its subsidiary companies and associate company incorporated in India, during the year ended March 31, 2017.
  - iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures in Note 45 of the attached consolidated financial statements are in accordance with books of account maintained by the Holding Company and its subsidiary companies incorporated in India and as produced to us by the Management except for the following :
    - a. In respect of the Holding Company, we are unable to obtain sufficient and appropriate audit evidence to report on the disclosures in respect of denomination of currency notes aggregating Rs. 5,792,380.
    - b. In respect of an associate of the Company, amounts aggregating to Rs. 9,211 as represented by the Management have been utilized for other than permitted transactions and received amount aggregating Rs.3,500 from transactions which are not permitted.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Anupam Dhawan  
Partner  
Membership Number 084451

Place: Gurugram  
Date: May 17, 2017

## 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, 2017

### 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, 2017, we have audited the internal financial controls over financial reporting of NIIT Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its 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 its 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) 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**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 three subsidiary companies, which are companies incorporated in India, is based on the corresponding report of the auditor 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  
Membership Number 084451

Place: Gurugram  
Date: May 17, 2017

## CONSOLIDATED BALANCE SHEET as at March 31, 2017

	Note	As at March 31, 2017 (Rs. Million)	As at March 31, 2016 (Rs. Million)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	331.51	331.01
Reserves and Surplus	4	8,222.49	7,719.84
		<u>8,554.00</u>	<u>8,050.85</u>
Share Application Money Pending Allotment		2.22	-
Minority Interest	5	105.57	85.43
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	6	1,509.82	1,803.72
Deferred Tax Liabilities	13	0.09	36.44
Other Long-Term Liabilities	9	25.37	64.44
Long-Term Provisions	10	3.19	3.64
		<u>1,538.47</u>	<u>1,908.24</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	-	145.59
Trade Payables	8	2,653.81	1,977.85
Other Current Liabilities	9	1,171.47	1,077.95
Short-Term Provisions	10	172.11	159.49
		<u>3,997.39</u>	<u>3,360.88</u>
<b>TOTAL</b>		<u><b>14,197.65</b></u>	<u><b>13,405.40</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	11		
-Tangible Assets		519.40	601.08
-Intangible Assets		349.99	473.27
-Intangible Assets under Development		146.78	17.33
Non-Current Investments	12	6,195.42	5,820.14
Deferred Tax Assets	13	190.75	141.46
Long-Term Loans and Advances	14	1,453.51	1,390.40
Trade Receivables	15	16.15	79.08
Other Non-Current Assets	16	12.59	13.31
		<u>8,884.59</u>	<u>8,536.07</u>
<b>Current Assets</b>			
Inventories	17	17.99	68.88
Trade Receivables	15	2,559.77	2,421.28
Cash and Bank Balances	18	1,270.32	885.71
Short-Term Loans and Advances	14	614.22	607.82
Other Current Assets	16	850.76	885.64
		<u>5,313.06</u>	<u>4,869.33</u>
<b>TOTAL</b>		<u><b>14,197.65</b></u>	<u><b>13,405.40</b></u>

The accompanying Notes form an integral part of the these Consolidated Financial Statements.  
This is the Consolidated Balance Sheet referred to in our report of even date.

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

Place : Gurugram  
Date : May 17, 2017

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

	Note	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>INCOME</b>			
Revenue from Operations	21	11,876.62	10,068.52
Other Income	22	124.63	76.42
<b>Total Revenue</b>		<b>12,001.25</b>	<b>10,144.94</b>
<b>EXPENSES</b>			
Purchase of Stock-in-Trade		246.78	480.04
(Increase)/ Decrease in Inventory	17	50.89	(24.02)
Employee Benefits Expenses	23	3,711.55	3,329.24
Professional & Technical Outsourcing Expenses		4,747.20	3,066.59
Finance Costs	26	241.24	211.36
Depreciation and Amortisation Expenses	11	469.11	491.78
Other Expenses	27	2,459.68	2,531.61
<b>Total Expenses</b>		<b>11,926.45</b>	<b>10,086.60</b>
<b>Profit before Exceptional items and Tax</b>		<b>74.80</b>	<b>58.34</b>
Exceptional items	29	16.18	15.86
<b>Profit before Tax</b>		<b>90.98</b>	<b>74.20</b>
<b>Tax expense:</b>			
- Current Tax		142.51	63.64
- Deferred Tax (Credit)/ Charge		(80.37)	3.67
- MAT Credit Entitlement		(13.76)	(23.66)
- Provision/ (Reversal) for Tax relating to earlier years	13	(5.94)	(6.91)
<b>Profit after tax before Share of results of Associate's Profit and Minority Interests</b>		<b>48.54</b>	<b>37.46</b>
Share of Associate's net profit		623.08	663.24
Net Loss/ (Profit) attributable to Minority		(20.19)	(28.34)
<b>Profit attributable to Equity shareholders</b>		<b>651.43</b>	<b>672.36</b>
<b>Earnings/ (Loss) per equity share (Face Value Rs. 2/- each):</b>	30		
- Basic		3.93	4.07
- Diluted		3.89	4.01

The accompanying Notes form an integral part of the these Consolidated Financial Statements.  
This is the Consolidated statement of profit and loss referred to in our report of even date

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451  
Place : Gurugram  
Date : May 17, 2017

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2017

	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Consolidated Profit before Exceptional Items, Tax and share of Associate's profits	74.80	58.34
Add/ (Less) :		
Depreciation and Amortisation	469.11	491.78
Finance Cost	241.24	211.36
Interest Income	(58.50)	(16.62)
Loss/ (Gain) on Fixed Assets sold	(2.57)	(1.27)
Dividend Income from Current Investment	-	(0.12)
Profit on Sale of Current Investment	(0.03)	(0.57)
Provision for Doubtful Debts	124.50	49.42
Bad Debts Written off	1.01	-
Provision for Doubtful Advances	0.63	0.69
Provision for Unbilled Revenue	53.78	54.15
Provision for Slow/ Non-moving Inventory	14.71	7.70
Government Grants	(1.98)	(2.12)
Advances Written off	0.50	2.20
Liabilities/ Provisions no longer required written back	(6.66)	(18.36)
Unrealised Foreign Exchange (Gain)/ Loss	16.29	(9.71)
<b>Operating profit before Working Capital Changes</b>	<b>926.83</b>	<b>826.87</b>
<b>Movements in Working Capital:</b>		
Increase/ (Decrease) Trade Payables	675.96	538.45
Increase/ (Decrease) Other Current Liabilities	(283.86)	(57.32)
Increase/ (Decrease) Other Long-Term Liabilities	(39.07)	14.37
Increase / (Decrease) Provision for Gratuity & Compensated Absences	12.17	(8.79)
(Increase)/ Decrease Current Trade Receivables	33.21	(486.88)
(Increase)/ Decrease Non Current Trade Receivables	(61.57)	186.46
(Increase)/ Decrease Inventories	36.18	(31.72)
(Increase)/ Decrease Short-Term Loans and Advances	(3.33)	(60.23)
(Increase)/ Decrease Long-Term Loans and Advances	(8.18)	24.88
(Increase)/ Decrease Other Current Assets	(18.58)	(350.75)
(Increase) / Decrease Other Bank Balances	(187.94)	168.45
(Increase)/ Decrease Other Non-current Assets	0.72	(1.04)
<b>Cash generated from operations</b>	<b>1,082.54</b>	<b>762.75</b>
Direct Tax- (paid including TDS)/ refund received (net)	(14.01)	(71.56)
<b>Net Cash from Operating activities before Exceptional Items</b>	<b>1,068.53</b>	<b>691.19</b>
Exceptional Items (Other than those disclosed in movement in working capital)	16.18	4.62
<b>Net Cash from Operating activities (A)</b>	<b>1,084.71</b>	<b>695.81</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets (including Capital Work-in-progress, Internally Developed Intangibles and Capital Advances)	(600.18)	(906.89)
Proceeds from sale of Fixed Assets	9.48	22.00
Acquisition of Business (Refer Note 43)	(14.85)	-
Sale of Mutual Funds	20.03	139.14
Purchase of Mutual Funds	(20.00)	(132.50)
Purchase of Shares in Subsidiary from Minority	(0.05)	(0.37)
Dividend Received	144.92	137.69
Interest Received	58.18	23.09
<b>Net Cash used in Investing activities (B)</b>	<b>(402.47)</b>	<b>(717.84)</b>

## CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2017

Contd..

	Year ended March 31, 2017 (Rs. Million)	Year ended March 31, 2016 (Rs. Million)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Term Loan raised during the year in Foreign Currency	-	600.00
Repayment of Long Term Borrowings	(52.64)	-
Proceeds from Short Term Borrowings	124.41	750.00
Repayment of Short Term Borrowings	(270.00)	(750.00)
Proceeds/ (Payments) relating to Cash Credits (Net)	-	(80.13)
Redemption of Non Convertible Debentures	-	(166.67)
Share Application Money	2.22	-
Issue of Shares under ESOP Scheme	12.58	16.76
Interest Paid	(247.94)	(201.70)
Dividend Paid	(1.97)	(3.91)
Dividend Tax Paid	-	(0.01)
<b>Net Cash from/ (used in) Financing activities (C)</b>	<b>(433.34)</b>	<b>164.34</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash equivalents (A) + (B) + (C)</b>	<b>248.90</b>	<b>142.31</b>
Adjustment on account of Foreign Exchange Fluctuations	(52.23)	48.70
<b>Cash and Cash equivalents as at the beginning of the year (Note 1)</b>	<b>851.41</b>	<b>660.40</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>1,048.08</b>	<b>851.41</b>

### Notes:

#### 1 Cash and Cash equivalents

Balance with banks		
Current Accounts	996.36	722.56
[Includes Rs. 34.44 Million (Previous year Rs. 72.48 Million) pertaining to amount earmarked for specific contract]		
Bank deposits with original maturity of 3 months or less	26.25	79.87
Cheques and drafts on hand	17.71	25.74
Cash on hand	7.76	23.24
	<b>1,048.08</b>	<b>851.41</b>

- The above Consolidated Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 as notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.
- Figures in parenthesis indicate cash outgo.
- Previous year figures, to the extent feasible, have been regrouped/ recasted wherever necessary to conform to the current year's classification.

The accompanying Notes form an integral part of the these Consolidated Financial Statements.

This is the Consolidated cash Flow statement referred to in our report of even date.

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451  
Place : Gurugram  
Date : May 17, 2017

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

## Notes to the Consolidated Financial Statements for the year ended March 31, 2017

### 1 CORPORATE INFORMATION

NIIT Limited ('the Company') is a talent development company which was set up in 1981. NIIT ('the Company') currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions. The Company is public limited company and is listed on the BSE Limited and National Stock Exchange of India Limited.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Principles of consolidation

- (i) **Subsidiaries:** Subsidiaries are consolidated from the date on which control is transferred to the Parent Company and are not consolidated from the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intra-group balances and intra-group transactions and resulting unrealised profits are eliminated.

Details of subsidiaries, which have been considered in these consolidated financial statements are as follows:

Name of Company	Proportion of ownership interest		Country of incorporation
	As at March 31, 2017 %	As at March 31, 2016 %	
1. Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)	100	100	India
2. NIIT Institute of Finance Banking and Insurance Training Limited	80.72	80.67	India
3. NIIT Institute of Process Excellence Limited	75	75	India
4. NIIT Yuva Jyoti Limited	100	90	India
5. NIIT (USA) Inc., USA	100	100	United States
6. NIIT Limited, UK	100	100	United Kingdom
7. NIIT Antilles NV	100	100	Netherlands Antilles
8. NIIT Malaysia Sdn. Bhd	100	100	Malaysia
9. NIIT GC Limited	100	100	Mauritius
10. NIIT China (Shanghai) Limited	100	100	China
11. NIIT WuXi Service Outsourcing Training School	60	60	China
12. WuXi NIIT Information Technology Consulting Limited	60	60	China
13. Chongqing NIIT Education Consulting Limited	60	60	China
14. Changzhou NIIT Information Technology Consulting Limited	60	60	China
15. Su Zhou NIIT Information Technology Consulting Limited	60	60	China
16. PT NIIT Indonesia (Under Liquidation)	100	100	Indonesia
17. NIIT West Africa Limited	100	100	Nigeria
18. Qingdao NIIT Information Technology Company Limited	100	100	China
19. Chongqing An Dao Education Consulting Limited	65	65	China
20. Zhangjiagang NIIT Information Services Limited	60	60	China
21. Chengmai NIIT Information Technology Company Limited	100	100	China
22. Dafeng NIIT Information Technology Company Limited*	60	60	China
23. Guizhou NIIT Information Technology Consulting Company Limited*	100	100	China
24. NIIT Ireland Limited*	100	100	Ireland
25. NIIT Learning Solutions (Canada) Limited*	100	100	Canada
26. NIIT (Guizhou) Education Technology Company Limited**	100	NA	China

\* Incorporated during the year ended March 31, 2016

\*\* Incorporated during the year ended March 31, 2017

- (ii) **Associates:** Investments in associate companies are accounted for by using the equity method of accounting whereby the investment is initially recorded at cost, except those initially recorded at fair values as on the appointed date pursuant to a Scheme of Arrangement with consequential adjustments, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

The details of associate companies (companies over which the Company exercises significant influence, which have been consolidated on "Equity Method") are as follows: (Reporting date used for consolidation :- March 31)

Name of Associate Company	NIIT Technologies Limited Description of Business :- Software Services & Solutions and Integrated Systems	
	As at March 31, 2017	As at March 31, 2016
Proportion of ownership interest and voting power	23.62%	23.69%

Reference in these consolidated financial statements to "the Group" shall mean to include NIIT Limited, its subsidiaries and associate, consolidated in these financial statements, unless otherwise stated.

### 2.2 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for assets and liabilities stated at fair values pursuant to a Scheme of Arrangement on accrual basis. Pursuant to the section 133 of the Companies Act, 2013 of India, read with the Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial 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.

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

### 2.3 Other significant accounting policies adopted by the Group are detailed below:

#### i) Tangible Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except where they are taken over pursuant to an acquisition at a consolidated price. Individual fixed assets taken over pursuant to an acquisition are recorded at their respective fair values on the date of acquisition based on valuation carried out by an independent valuer.

Cost comprises of the purchase price including import duties, non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the management.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Consolidated Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets, based on a technical evaluation, which in some cases are higher than the rates prescribed under Schedule II to the Companies Act, 2013 of India, in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Consolidated Statement of Profit and Loss.

The estimates of useful lives of tangible assets are as follows:-

Description of Assets	Useful Life
Buildings	58 Years
Leasehold Land	99 years or lease period, whichever is lower
Plant and Equipments including:	
- Computers, Printers and related accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 Years
- Air Conditioners	10 Years
Office Equipments	5 Years
Furniture, Fixtures & Electric Fittings	7 Years
Leasehold Improvements	3-5 years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 Years
Assets acquired under lease (Included under Plant & Equipment and Furniture & Fixtures)	Lease Period or useful life, whichever is lower
All other assets (including Vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

Fixed Assets purchased for utilisation in implementing certain contractual obligations with the customers under a project are depreciated over the period of the contract or useful life assessed as above, whichever is shorter.

### ii) Intangible Fixed Assets and Amortisation

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

Amortisation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets determined as follows: -

Particulars	Useful Life
a) Internally Generated (Software, Content and Products)	
- School based non - IT content	10 Years
- Others	3-5 Years
b) Acquired (Software, Contents and Products)	3-5 Years
c) Patents	3-5 Years
d) Goodwill (Other than arising on consolidation)	5 Years

Further, educational content and software are technically evaluated each year for any impairment triggers as per Accounting Standard 28, "Impairment of Assets". The unamortised amount of the asset, after any provision for impairment, is charged to Consolidated Statement of Profit and Loss as amortisation over their remaining useful life.

### iii) Impairment of Assets

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

**iv) Goodwill on Consolidation**

The excess/ deficit of the cost of the investment in subsidiaries over its respective share of net worth (residual interest in the assets of the subsidiaries after deducting all its liabilities) of the subsidiaries at the date of investment in the subsidiaries is treated as goodwill/ capital reserve in the consolidated financial statements. The value of goodwill arising on consolidation is reviewed for impairment at the end of each accounting year.

**v) Investments**

Long-term investments are carried at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognised and charged to the Consolidated Statement of Profit and Loss. Short-term investments are carried at cost or market value, whichever is lower. Investments in Associates are accounted for based on "Equity Method" in accordance with provisions of Accounting Standard 23, "Accounting for Investments in Associates" in the Consolidated Financial Statements and other relevant provisions of the Companies Act, 2013

**vi) Inventories**

Inventories are valued at lower of cost or net realisable value. Cost is determined using weighted average method and includes applicable costs incurred in bringing inventories to their present location and condition.

**vii) Revenue Recognition**

Revenue in respect of sale of courseware including technical information and reference material and other goods is recognised when the significant risk and rewards of ownership in it are transferred to the buyer as per the terms of the contracts which coincides with dispatch / delivery of the material to the customer as per trade practice and agreed terms. Revenue from the tuition activity/ training is recognised over the period of the course programs as the case may be.

Revenue from time and material contracts is recognised on a man month basis. In respect of fixed price contracts, revenue is recognised based on proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of the services. The foreseeable losses on completion of contract, if any, are provided for.

The Group undertakes fixed price projects for supply/ installation/ maintenance of hardware & infrastructure set-up, providing educational product and educational services. Revenue from initial project set up activities & development of products under such contracts is recognised under proportionate completion method. The revenue in such contracts from sale of hardware is recognised on delivery of the hardware when substantial risks and rewards of ownership in such hardware passes to the customer based on contractual terms of the respective contracts. Deferred Revenue represents amounts billed to customers in advance for products, services or subscriptions for which revenue is yet to be recognised. Revenue from placement services is recognised on placement of candidate with the client as per the terms of the contract. Revenue from assessment of personnel is recognised on completion of the assessment as per the terms of the contract.

In respect of sale and lease back transactions, revenue is recognised on delivery of the product. Gain on sale on such transactions is recognised in the Statement of Profit and Loss over the lease period of the respective product.

Revenue is net of trade discounts and applicable taxes.

**viii) Other Income**

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

b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**ix) Employee Benefits****Gratuity**

The Group provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using projected unit credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company with Life Insurance Corporation

of India (LIC) is charged/ credited to the Consolidated Statement of Profit and Loss.

Gratuity Liability for certain entities which are not funded through the Trust, is actuarially determined at the end of the year using projected unit credit method and provided for.

Actuarial losses/ gains are charged/ credited to the Consolidated Statement of Profit and Loss in the year in which such losses/ gains arise.

#### **Compensated Absences**

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Group has benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Consolidated Statement of Profit and Loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

#### **Superannuation**

The Group makes defined contribution, in respect of employees based in India, to the Trust established for the purpose by the Holding Company towards superannuation fund maintained with Life Insurance Corporation of India. The Group has no further obligations beyond its monthly contributions. Contributions made during the year are charged to the Consolidated Statement of Profit and Loss.

#### **Provident Fund**

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" for certain entities in India, which is a defined benefit plan to the extent that the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. The Group's contribution towards Provident Fund is charged to the Consolidated Statement of Profit and Loss. For employees of other entities not covered above, provident fund contributions are made to the Regional Provident Fund Commissioner in accordance with the Employee Provident Fund Rules and are accounted as defined contribution plans and charged to the Consolidated Statement of Profit and Loss.

#### **Pension Fund**

The Group makes defined contribution to a government administered pension fund towards its pension plan on behalf of its employees. The Group has no further obligations beyond its monthly contributions and additionally, the contribution towards Employee Pension Scheme is charged to the Consolidated Statement of Profit and Loss.

#### **Overseas Plans**

In respect of the subsidiaries incorporated outside India, the subsidiaries make defined contributions on a monthly basis towards the respective retirement plans which are charged to the Consolidated Statement of Profit and Loss. These subsidiaries have no further obligation towards the respective retirement benefits.

#### **National Pension System**

The Group makes defined contribution towards National Pension System for certain employees for which Group has no further obligation. Contributions made during the year are charged to the Consolidated Statement of Profit and Loss.

#### **x) Employees Stock Option Plan (ESOP)**

Equity settled stock options are accounted for being intrinsic value method, whereby the 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 straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to General Reserve equal to the amortised portion of value of lapsed portion

and credit to deferred employee compensation expense equal to the un-amortised portion. The balance in employee stock option outstanding account, net of any un-amortised deferred employee compensation, is shown separately as part of reserves and surplus.

**xi) Foreign Currency Transactions/ Translation**

Transactions in foreign currency (currency other than companies' reporting currency) are booked at standard rates determined periodically, which approximates the actual rate, and all monetary assets and liabilities in foreign currency are restated at the end of the accounting year. Gain/ loss arising out of fluctuations on realisation/ payment or restatement is credited/ charged respectively, to the Consolidated Statement of Profit and Loss.

Foreign currency assets/ liabilities covered by forward contracts are stated at the forward contract rate and difference between the forward rate and the exchange rate at the inception of the forward contract is recognised to the Consolidated Statement of Profit and Loss over the life of the contract except to the extent on which accounting policy on derivative instruments and hedge accounting as detailed in (xii) below.

For the purposes of consolidation, in case of subsidiaries for which operations are considered as non-integral in nature, the assets and liabilities are translated at the year-end exchange rate and income and expenditure items are translated at predetermined rates that approximate the exchange rate prevailing on the date of the transaction. The resultant translation adjustment is reflected as a separate component of Shareholders' Funds as 'Currency Translation Reserve'. Upon dissolution/ disposal including buy back of equity, whether wholly or partially, of non-Indian subsidiaries, the proportionate balance in Currency Translation Reserve in relation to those subsidiaries is transferred to Consolidated Statement of Profit and Loss.

In case of foreign operations which are integral in nature, financial statements are translated as if all its transactions had been entered into by the company itself. Non-monetary assets and income and expenditure items are translated at the rates that approximate the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at year-end exchange rate. The resultant translation adjustment is charged to the Consolidated Statement of Profit and Loss.

**xii) Derivative Instruments and Hedge Accounting**

In accordance with its risk management policies and procedures, the Group Company uses derivative instruments to hedge its risks associated with foreign currency fluctuations. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value & are remeasured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss is recognised 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 recognised in the Consolidated Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognised in Shareholder's Funds under hedging reserve is retained there until the transaction occurs subsequent to 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 recognised in Shareholder's Fund is transferred to Consolidated Statement of Profit and Loss in the same period.

**xiii) Leases**

The Lease rental in respect of operating lease arrangements are charged to expense on straight line basis as per the terms of the related agreements.

Finance lease transactions are considered as financing arrangements in accordance with Accounting Standard 19 "Leases" and the leased asset is capitalised at an amount equal to the present value of future lease payments and a corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to the leased asset.

**xiv) Borrowing Cost**

Borrowing costs are recognised in the Consolidated Statement of Profit and Loss in period in which it is incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Ancillary costs in connection with the arrangement of borrowings are amortised over the period of respective loan.

**xv) Taxation**

Tax expense, comprising of both current tax and deferred tax is included in determining the net results for the year. 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 jurisdiction. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognised as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that the Company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilised in the year when normal income tax is higher than the Minimum Alternate Tax (MAT).

Deferred Tax is recognised for all timing differences, subject to consideration of prudence in respect of Deferred Tax Assets. Deferred Tax Assets are recognised and carried forward only to the extent that there is reasonable certainty of realisation of such timing differences.

In situations, where the Company has unabsorbed depreciation or carry forward losses under the law, all deferred tax assets are recognised 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.

**xvi) Provisions and Contingencies**

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Disclosure of show cause notices are made on merits of the matters where management foresees possibilities of outflow of resources. Further, the proportionate share of contingent liabilities of associate companies are disclosed as per the provisions of Accounting Standard 23 "Accounting for Investments in Associates" in the Consolidated Financial Statements.

**xvii) Earnings Per Share**

The earnings considered in ascertaining the earnings per share ('EPS') comprises the net profit after tax. The number of shares used in computing the basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as Basic EPS, after adjusting for the effects of potential Dilutive Equity Shares.

**xviii) Cash and Cash Equivalents**

In the Consolidated Cash Flow Statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**xix) Proposed Dividend**

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

		(Rs. Million)	
		As at	
		March 31, 2017	March 31, 2016
<b>3 SHARE CAPITAL</b>			
<b>Authorised</b>			
393,000,000 Equity Shares of Rs. 2/- each	786.00	786.00	
(Previous year 393,000,000 Equity Shares of Rs. 2/- each)			
2,500,000 Redeemable Preference Shares of Rs.100/- each	250.00	250.00	
(Previous year 2,500,000 Redeemable Preference Shares of Rs.100/- each)			
350,000,000 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each	350.00	350.00	
(Previous year 350,000,000 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each)			
	<b>1,386.00</b>	<b>1,386.00</b>	
<b>Issued</b>			
165,755,886 Equity Shares of Rs. 2/- each	331.51	331.01	
(Previous year 165,507,233 Equity Shares of Rs. 2/- each)			
	<b>331.51</b>	<b>331.01</b>	
<b>Subscribed and Paid-up</b>			
165,749,886 Equity Shares of Rs. 2/- each	331.50	331.00	
(Previous year 165,501,233 Equity Shares of Rs. 2/- each)			
Add: Forfeited Shares (amount originally paid-up)	0.01	0.01	
	<b>331.51</b>	<b>331.01</b>	

## 3.1 Reconciliation of the number of shares outstanding

Reconciliation of the number of shares outstanding	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Equity Shares				
Shares outstanding at the beginning of the year	165,501,233	331.00	165,170,597	330.34
Shares Issued during the year	248,653	0.50	330,636	0.66
Shares outstanding at the end of the year	165,749,886	331.50	1,605,501,233	331.00

## 3.2 Rights, preferences and restrictions attached to shares:

**Equity Shares:** The Company has one class of equity shares having a par value of Rs. 2/- 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 the 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.

### 3.3 Shares held by each shareholder holding more than 5% shares in the Company (Refer Note 44)

	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	% of holding	No. of shares	% of holding
Pace Industries Private Limited	-	-	25,366,521	15.33%
PIPL Management Consultancy and Investment Private Limited	25,366,521	15.30%	-	-
Global Solutions Private Limited	-	-	25,915,838	15.66%
Global Consultancy and Investment Private Limited	25,915,838	15.64%	-	-
<b>Total</b>	<b>51,282,359</b>	<b>30.94%</b>	<b>51,282,359</b>	<b>30.99%</b>

### 3.4 Shares reserved for issue under Employee Stock Option Plan (ESOP) in the Company

	As at			
	March 31, 2017		March 31, 2016	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Equity shares (For details refer Note 25)	5,387,424	10.77	6,086,256	12.17
<b>Total</b>	<b>5,387,424</b>	<b>10.77</b>	<b>6,086,256</b>	<b>12.17</b>

(Rs. Million)

## 4 RESERVES AND SURPLUS

	As at			
	March 31, 2017		March 31, 2016	
<b>Capital Reserve</b>				
Opening Balance	5,172.27		5,172.27	
Add: Share in Capital Reserve of Associate	(0.02)	5,172.25	-	5,172.27
<b>Securities Premium Reserve</b>				
Opening Balance	578.15		552.72	
Add: Additions during the year on account of exercise of ESOP's	12.08		16.10	
Add: Share in Security Premium of Associate	12.42	602.65	9.33	578.15
<b>Debenture Redemption Reserve</b>				
Opening Balance	-		41.67	
Less: Transferred to General Reserve	-	-	(41.67)	-
<b>General Reserve (Foot Note 1)</b>				
Opening Balance	1,087.29		1,041.83	
Add/ (Less): Share in General Reserve of Associate	(12.17)		2.91	
Add : Transferred from Debenture Redemption Reserve	-		41.67	
Add : Transferred from Surplus in Consolidated Statement of Profit and Loss	-	1,075.12	0.88	1,087.29

	As at		
	March 31, 2017	March 31, 2016	
<b>Hedging Reserve Account (Debit Balance) [Refer Note 42]</b>			
Opening Balance	(51.40)	(35.97)	
Add: Impact on account of restatement of Loan	33.05	(60.51)	
Add: Impact on account of restatement of Interest on Loan	1.34	3.27	
Add: Movement in Derivative Instrument Fair Value Asset/ (Liability)	(29.14)	40.34	
Add: Share in Hedging Reserve of Associate	30.95	1.47	(51.40)
<b>Surplus in Consolidated Statement of Profit and Loss</b>			
Balance Brought Forward from Previous year	533.54	(108.44)	
Add : Current year profit attributable to Shareholders	651.43	672.36	
<b>Less: Appropriations</b>			
Transferred to General Reserve	-	(0.88)	
Share in Corporate Dividend Tax of Associate	-	(29.50)	533.54
<b>Government Grant - Fund</b>			
Opening Balance	2.29	4.41	
Less: Income recognised during the year	(1.98)	(2.12)	2.29
<b>Currency Translation Reserve</b>			
Opening Balance	397.70	298.32	
Add : Share in Currency Translation Reserve of Associate	(134.06)	51.92	
Add : Increase/ (Decrease) during the year on translation of balances	(61.25)	47.46	397.70
<b>Total</b>	<b>8,222.49</b>	<b>7,719.84</b>	

**Footnote :**

1 General Reserve represents requirement to transfer specific sums to a General Reserve as per the local laws of the jurisdiction.

(Rs. Million)

5 MINORITY INTEREST	As at	
	March 31, 2017	March 31, 2016
Opening Balance	85.43	60.32
Less : Dividend Paid to Minority	-	(2.86)
Less: Decrease in Minority Share due to purchase from minority	(0.05)	(0.37)
Add : Minority Share in Profit of current year	20.19	28.34
[Minority Share of loss of the subsidiary companies in excess of their interest Rs. 10.65 Million (Previous year 1.97 Million) has been absorbed by the majority shareholders]		
<b>Balance at the end of the year</b>	<b>105.57</b>	<b>85.43</b>

(Rs. Million)

6 LONG-TERM BORROWINGS	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current Portion		Current Maturities	
<b>SECURED</b>				
i) Term Loans from Banks:				
- Foreign Currency Term Loan	1,419.82	1,661.08	208.21	-
ii) Term Loans from Others	90.00	142.64	-	-
<b>Total (A)</b>	<b>1,509.82</b>	<b>1,803.72</b>	<b>208.21</b>	<b>-</b>
<b>Amount disclosed under the head "Other Current Liabilities" (Refer Note 9) (B)</b>	<b>-</b>	<b>-</b>	<b>(208.21)</b>	<b>-</b>
<b>Total (A+B)</b>	<b>1,509.82</b>	<b>1,803.72</b>	<b>-</b>	<b>-</b>

## 6.1 Details of security given against Loans

- The Holding company has availed foreign currency loan for Rs. 600 Million equivalent of USD 9.05 Million which is fully hedged by converting it from the floating rate into fixed rate Rupee loan through a currency swap at a spot reference (USD INR) exchange rate of USD 1 = INR 66.30, through full maturity of the loan. The said loan is secured by way of whole of the Holding Company's tangible and intangible, moveable fixed assets, both present and future, capital advances paid for building at Info-City Sector-34, gurugram and first exclusive charge on certain immovable properties. The rate of interest on fully hedged equivalent loan amount is fixed at 10.25% p.a. for the tenure of the loan.
- The Holding company has availed foreign currency loan for Rs. 1000 Million equivalent of USD 16.05 Million, which is fully hedged by converting it from the floating rate in Libor with spread of 175 bps into fixed rate Rupee loan through a Currency Swap at a Spot reference (USD INR) exchange rate of USD 1 = INR 62.30, through full maturity of the loan. The said loan is secured by way of whole of the Holding Company's tangible and intangible, moveable fixed assets, both present and future, land and building of the Company at Sector-32, gurugram and capital advances paid for building at Info-City, Sector-34, gurugram. The rate of interest on fully hedged equivalent loan amount is fixed at 10.25% p.a. for the tenure of the loan.
- Term Loan from others comprises loan availed by NIIT Yuva Jyoti Limited (NYJL) from National Skill Development Corporation ("NSDC") and is secured by first charge on both present and future acquired assets comprising of movable fixed assets, book debts, receivables and the balance lying to the credit of designated bank accounts including without limitation all movable plant and machinery, capital equipment, together with its accessories, computer hardware and software, digital content, learning material electronic spares and machine spares both present and future whether installed or lying loose of NYJL. The entire loan amount is also covered by a corporate guarantee from the Holding Company, NIIT Limited (also refer note 37).

### 6.2 Terms of repayment

- (i) Foreign Currency Term Loan for USD 9.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs. Million)*
July 20, 2020	1.50	97.83
April 20, 2020	1.51	97.83
January 20, 2020	1.51	97.83
July 20, 2019	1.51	97.83
January 20, 2019	1.51	97.83
July 20, 2018	1.51	97.83
	<b>9.05</b>	<b>586.98</b>

- (ii) Foreign Currency Term Loan for USD 16.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs. Million)*
June 5, 2019	3.21	208.21
April 5, 2019	3.21	208.21
October 5, 2018	3.21	208.21
April 5, 2018	3.21	208.21
October 5, 2017	3.21	208.21
	<b>16.05</b>	<b>1,041.05</b>

\*Rupee Equivalent as at the year end

- (iii) The Term Loan taken from NSDC, bearing an interest rate of 7.5%, is repayable over the period of 5 years starting December 2017 as per the agreement.

	As at	(Rs. Million)
7 SHORT TERM BORROWINGS	March 31, 2017	March 31, 2016
SECURED		
Working Capital Loan	-	145.59
Total	-	<b>145.59</b>

### 7.1 Details of Security given against Loans

- i) Working Capital Loan are secured by hypothecation of stocks and book debts of the Holding Company and Mind champion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited).
- ii) During the previous year, the Group had availed working capital facility of USD 7.50 Million (INR 496.31 Million) (@ Libor + 2.50% per annum) with Bank of West in NIIT USA Inc. (USA).

	As at	(Rs. Million)
8 TRADE PAYABLES	March 31, 2017	March 31, 2016
	Current	
Sundry Creditors	2,653.81	1,977.85
	<b>2,653.81</b>	<b>1,977.85</b>

		(Rs. Million)	
		As at	
9 OTHER LIABILITIES		March 31, 2017	March 31, 2016
		Long-Term	Current
Current Maturities of Long Term-Borrowings (Refer Note 6)	-	-	208.21
Interest accrued but not due on borrowings	-	-	3.10
Unpaid dividends *	-	-	7.52
Security Deposits Payable	18.34	19.01	118.73
Deferred Revenue	0.25	0.31	31.12
Advances from Customers	6.78	20.34	270.90
Statutory Dues	-	-	163.89
Derivative instrument fair value liability (Refer Note 42)	-	-	36.23
Other Payables **	-	24.78	331.77
	<b>25.37</b>	<b>64.44</b>	<b>1,171.47</b>
			<b>1,077.95</b>

\* There are no amounts due for payment to the Investor Protection Fund as at the year end.

\*\* Includes capital creditors and payable to employees.

		(Rs. Million)	
		As at	
10 PROVISIONS		March 31, 2017	March 31, 2016
		Long-Term	Short-Term
Provision for Employee Benefits (Refer note 24):			
-Provision for Gratuity	-	-	42.09
-Provision for Compensated Absences	3.19	3.64	85.45
Provision for indirect tax under litigation*	-	-	44.57
	<b>3.19</b>	<b>3.64</b>	<b>172.11</b>
			<b>159.49</b>

\*An amount of Rs. 22.22 Million which has been deposited, against the demand which has been disclosed under Note 14 as Advances recoverable in cash or kind.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2017**

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**11 FIXED ASSETS**

(Rs. Million)

Description of Assets	GROSS BLOCK					DEPRECIATION AND AMORTISATION				NET BLOCK	
	As on 01.04.2016	Additions during the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2017	As on 01.04.2016	Charge For the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2017	As on 31.03.2017
Tangible											
Land - Freehold	13.99	-	-	-	13.99	-	-	-	-	-	13.99
Land-Leasehold (Footnote i)	6.93	-	-	-	6.93	-	0.74	-	-	0.74	6.19
Building (Footnote ii)	209.90	-	-	-	209.90	47.95	3.68	-	-	51.63	158.27
Plant & Equipments	1,580.82	67.85	176.32	(14.33)	1,458.02	1,291.86	156.19	173.60	(10.47)	1,263.98	194.04
- Owned	393.67	61.41	52.64	(0.97)	401.47	332.62	38.78	50.13	(0.31)	320.96	80.51
Leasehold Improvements											
Furniture & Fixtures	254.79	35.70	78.26	(7.46)	204.77	206.70	28.91	77.82	(4.47)	153.32	51.45
- Owned	0.08	-	0.06	-	0.02	0.08	-	0.06	-	0.02	-
- Leased	29.38	4.62	3.89	(1.40)	28.71	18.55	2.48	2.84	(0.93)	17.26	11.45
Vehicles											
Office Equipments	139.65	1.55	12.09	(0.44)	128.67	130.37	6.94	11.91	(0.23)	125.17	3.50
- Owned	0.03	-	0.03	-	-	0.03	-	0.03	-	-	-
- Leased											
Sub Total (a)	2,629.24	171.13	323.29	(24.60)	2,452.48	2,028.16	237.72	316.39	(16.41)	1,933.08	519.40
Intangible											
Educational Content/ Products											
- Acquired	94.69	0.19	17.44	-	77.44	94.69	0.05	17.44	0.14	77.44	-
- Internally Generated (Footnote iii & iv below)	1,669.81	54.32	-	(7.42)	1,716.71	1,336.81	158.11	-	(9.57)	1,485.35	231.36
- Leased	119.65	-	-	-	119.65	119.65	-	-	-	119.65	-
Software											
- Acquired	2,222.60	6.02	753.38	0.22	1,475.46	2,086.54	70.93	753.37	3.06	1,407.16	68.30
Patents	16.14	-	-	-	16.14	16.14	-	-	-	16.14	-
Goodwill on Consolidation (Refer Note 35)	5.71	28.65	-	-	34.36	1.50	-	-	-	1.50	32.86
Goodwill (Refer Note 43)	175.96	19.77	-	(2.84)	192.89	175.96	2.30	-	(2.84)	175.42	17.47
Sub Total (b)	4,304.56	108.95	770.82	(10.04)	3,632.65	3,831.29	231.39	770.81	(9.21)	3,282.66	349.99
Total (a + b)	6,933.80	280.08	1,094.11	(34.64)	6,085.13	5,859.45	469.11	1,087.20	(25.62)	5,215.74	869.39
Intangible assets under development (refer footnote iii)											146.78

**Footnotes :**

- (i) Represents 25 acres of land at Tehsil Behror, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.
- (ii) Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vya Co-operative Housing Society Limited.
- (iii) Refer Note 32 for cost incurred during the year on internally generated intangible assets.
- (iv) Intangible includes content and software products (tools and platform) whose remaining amortisation period is 1 to 6 years. However none of these are individually material to the consolidated financial statements as whole.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2017

Contd..

## 11 FIXED ASSETS SCHEDULE AS AT MARCH 31, 2016

(Rs. Million)

Description of Assets	GROSS BLOCK					DEPRECIATION AND AMORTISATION				NET BLOCK	
	As on 01.04.2015	Additions during the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2016	As on 01.04.2015	Charge For the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2016	As on 31.03.2016
<b>Tangible</b>											
Land - Freehold	13.99	-	-	-	13.99	-	-	-	-	-	13.99
Land-Leasehold (Footnote i)	6.93	-	-	-	6.93	-	-	-	-	-	6.93
Building (Footnote ii)	209.90	-	-	-	209.90	44.26	3.68	-	0.01	47.95	161.95
Plant & Equipments (Footnote v) - Owned	1,529.23	143.14	103.33	11.78	1,580.82	1,212.58	166.90	94.36	6.74	1,291.86	288.96
Leasehold Improvements	404.47	54.95	65.44	(0.31)	393.67	327.74	69.05	64.22	0.05	332.62	61.05
Furniture & Fixtures											
- Owned	278.61	12.46	40.47	4.19	254.79	218.76	25.71	38.95	1.18	206.70	48.09
- Leased	0.11	-	0.03	-	0.08	0.11	-	0.03	-	0.08	-
Vehicles	41.43	1.73	14.13	0.35	29.38	19.12	4.54	5.31	0.20	18.55	10.83
Office Equipments											
- Owned	146.49	1.66	8.38	(0.12)	139.65	125.91	12.81	8.27	(0.08)	130.37	9.28
- Leased	0.03	-	-	-	0.03	0.03	-	-	-	0.03	-
<b>Sub Total (a)</b>	<b>2,631.19</b>	<b>213.94</b>	<b>231.78</b>	<b>15.89</b>	<b>2,629.24</b>	<b>1,948.51</b>	<b>282.69</b>	<b>211.14</b>	<b>8.10</b>	<b>2,028.16</b>	<b>601.08</b>
<b>Intangible</b>											
Educational Content/ Products											
- Acquired	94.69	-	-	-	94.69	94.69	0.07	-	(0.07)	94.69	-
- Internally Generated (Footnote iii & iv below)	1,518.29	142.68	-	8.84	1,669.81	1,206.94	125.15	-	4.72	1,336.81	333.00
- Leased	119.65	-	-	-	119.65	119.65	-	-	-	119.65	-
Software											
- Acquired	2,050.71	117.18	0.92	55.63	2,222.60	1,943.11	83.87	0.83	60.39	2,086.54	136.06
Patents	16.14	-	-	-	16.14	16.14	-	-	-	16.14	-
Goodwill on Consolidation	4.65	1.06	-	-	5.71	1.50	-	-	-	1.50	4.21
Goodwill	167.69	-	-	8.27	175.96	167.69	-	-	8.27	175.96	-
<b>Sub Total (b)</b>	<b>3,971.82</b>	<b>260.92</b>	<b>0.92</b>	<b>72.74</b>	<b>4,304.56</b>	<b>3,549.72</b>	<b>209.09</b>	<b>0.83</b>	<b>73.31</b>	<b>3,831.29</b>	<b>473.27</b>
<b>Total (a + b)</b>	<b>6,603.01</b>	<b>474.86</b>	<b>232.70</b>	<b>88.63</b>	<b>6,933.80</b>	<b>5,498.23</b>	<b>491.78</b>	<b>211.97</b>	<b>81.41</b>	<b>5,859.45</b>	<b>1,074.35</b>
Intangible assets under development (refer footnote iii)											

## Footnotes :

(i) Represents 25 acres of land amounting to Rs. 6.93 Million at Tehsil Behror, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.

(ii) Gross Block of Building includes 10 shares of Rs. 30/- each in the Guru Vidya Co-operative Housing Society Limited.

(iii) Refer Note 32 for cost incurred during the year on internally generated intangible assets.

(iv) Intangible includes content and software products (tools and platform) whose remaining amortisation period is 1 to 6 years. However none of these are individually material to the consolidated financial statements as whole.

(v) Depreciation charge for the year includes provision for impairment of content/ products of Rs. 2.66 Million. The group has computed the recoverable value using the value in use method and has considered a discount rate of 14% to 18.00%.

(vi) During the year, the opening block of Plant &amp; Equipment-Leased aggregating Rs. 34.08 Million was regrouped in Plant and Equipment-Owned along with the corresponding opening Accumulated Depreciation aggregating Rs. 21.52 Million.

(Rs. Million)

## 12 INVESTMENTS

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current		Current	
<b>TRADE (QUOTED)</b>				
<b>In Associate</b>				
NIIT Technologies Limited *				
- Net Assets Value (Opening Value)	3,945.69	3,384.01	-	-
- Fair Valuation Adjustment*	1,874.45	1,874.45	-	-
- Share/(Adjustment) in Post Acquisition Reserves	(102.88)	36.13	-	-
- Share of Associate's net profit	623.08	663.24	-	-
- Dividend Received	(144.92)	(137.69)	-	-
<b>Total</b>	<b>6,195.42</b>	<b>5,820.14</b>	-	-

\* Consequent to the accounting of the Scheme of Amalgamation by recording assets and liabilities at fair values by applying the Purchase Method, the difference between the fair value of the investment acquired and proportionate share of the net assets value, as at the appointed date of April 01, 2014, was recognised as Fair Value Adjustment.

## 13 TAXATION

### (I) Geography :- India

(a) During the year, an amount of Rs. 4.79 Million (Previous year Rs. 0.41 Million) has been written back towards excess provision for tax in respect of earlier years.

(b) Detailed break up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2017	March 31, 2016
<b>Deferred Tax (Liability):</b>		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	-	-
<b>Total (A)</b>	-	-
<b>Deferred Tax Assets:</b>		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	90.78	115.85
Provision for doubtful debts and advances	279.09	264.20
Provision for non-moving inventories	7.00	1.89
Provision for Employee Benefits	40.25	34.10
<b>Total (B)</b>	<b>417.12</b>	<b>416.04</b>
Timing differences not recognised on account of prudence (C)	303.34	312.26
<b>Net Deferred Tax Assets/ (Liabilities) (A+B-C)</b>	<b>113.78</b>	<b>103.78</b>

### (II) Geography :- USA

(a) Provision for tax for earlier years aggregating to Rs. 1.15 Million [Previous year Rs. (6.50) Million] has been written back.

(b) Detailed break-up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2017	March 31, 2016
<b>Deferred Tax Liabilities:</b>		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	(18.82)	(58.75)
<b>Total (A)</b>	<b>(18.82)</b>	<b>(58.75)</b>
<b>Deferred Tax Assets:</b>		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under Income Tax:		
-Provision for doubtful debts and advances	-	-
-Provision for Compensated Absences, Bonus, Gratuity and other related timing differences	9.92	10.07
-Others	1.58	(0.06)
-Unabsorbed losses	40.21	12.30
<b>Total (B)</b>	<b>51.71</b>	<b>22.31</b>
<b>Net Deferred Tax Assets/ (Liabilities) (A+B)</b>	<b>32.89</b>	<b>(36.44)</b>

### (III) Geography :- UK

(a) Detailed break-up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2017	March 31, 2016
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.		
a) Impact of expenses prepaid in financial statements but allowed as deduction in current year	(0.85)	-
<b>Total (A)</b>	<b>(0.85)</b>	<b>-</b>
<b>Deferred Tax Assets:</b>		
a) Carry forward unabsorbed losses/depreciation	4.56	1.47
<b>Total (B)</b>	<b>4.56</b>	<b>1.47</b>
<b>Net Deferred Tax Assets/ (Liabilities)</b>	<b>3.71</b>	<b>1.47</b>

### (IV) Geography :- Ireland

(a) Detailed break-up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2017	March 31, 2016
<b>Deferred Tax (Liabilities):</b>		
Others	(0.09)	-
<b>Total (A)</b>	<b>(0.09)</b>	<b>-</b>
<b>Deferred Tax Assets:</b>		
Others	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Assets/ (Liabilities) (A+B)</b>	<b>(0.09)</b>	<b>-</b>

### (V) Geography :- China & Others

(a) Detailed break-up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2017	March 31, 2016
<b>Deferred Tax (Liabilities):</b>		
Tax impact of difference between carrying amount of fixed assets, account receivables and others in the financial statements and as per the Income Tax calculation.	(18.20)	(10.45)
<b>Total (A)</b>	<b>(18.20)</b>	<b>(10.45)</b>
<b>Deferred Tax Assets:</b>		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under Income Tax:		
-Provision for doubtful debts and advances	19.64	21.32
-Provision for Compensated Absences, Bonus, Gratuity and other timing differences	29.54	20.66
-Provision for Inventory	1.10	1.20
-Deferred Revenue	4.60	3.48
-Others	3.69	-
<b>Total (B)</b>	<b>58.57</b>	<b>46.66</b>
<b>Net Deferred Tax Assets/ (Liabilities) (A+B)</b>	<b>40.37</b>	<b>36.21</b>

<b>Deferred Tax Assets (I+II+III+V)</b>	<b>190.75</b>	<b>141.46</b>
<b>Deferred Tax (Liabilities) (IV) and (II)</b>	<b>(0.09)</b>	<b>(36.44)</b>

#### Notes :

- Deferred Tax Credit has been recognised in Consolidated Statement of Profit and Loss amounting to Rs. 80.37 Million (net of Currency Translation Reserve (Rs.5.27) Million) (Previous year Deferred Tax Expense amounting to Rs. 3.67 Million (net of Currency Translation Reserve Rs. 0.92 Million).
- Deferred Tax Assets and Liabilities are offset to the extent they relate to taxes on income levied by the same governing taxation laws.
- Deferred Tax Asset on brought forward losses and long term capital loss has not been recognised in absence of virtual certainty of availability of long term capital gains.

(Rs. Million)

## 14 LOANS AND ADVANCES

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Long-Term		Short-Term	
i) <b>Capital Advances</b>				
Unsecured, considered good	843.76	669.55	-	-
(A)	<b>843.76</b>	<b>669.55</b>	-	-
ii) <b>Security Deposits Receivable</b>				
Unsecured, considered good	78.22	72.42	25.32	47.75
Unsecured, considered doubtful	5.05	5.05	-	-
Less: Provision for doubtful Deposits	(5.05)	(5.05)	-	-
(B)	<b>78.22</b>	<b>72.42</b>	<b>25.32</b>	<b>47.75</b>
iii) <b>Advances recoverable in cash or in kind</b>				
Unsecured, considered good	0.70	0.46	487.63	461.87
Unsecured, considered doubtful	98.27	111.44	-	-
Less: Provision for doubtful advances	(98.27)	(111.44)	-	-
(C)	<b>0.70</b>	<b>0.46</b>	<b>487.63</b>	<b>461.87</b>
iv) <b>Other Advances</b>				
a) Advance payment of Fringe Benefit Tax	90.28	92.77	-	-
Less: Provision for Fringe Benefit Tax	(89.33)	(91.66)	-	-
	<b>0.95</b>	<b>1.11</b>	-	-
b) Advance Income Tax	1,334.64	1,398.11	109.60	96.68
Less : Provision for Income Tax	(964.49)	(921.16)	(25.46)	(11.74)
	<b>370.15</b>	<b>476.95</b>	<b>84.14</b>	<b>84.94</b>
c) MAT Credit entitlement				
- Opening Balance	169.91	149.12	13.26	10.45
- Reversal of MAT credit	(20.07)	(0.06)	-	-
- Addition during the year	9.89	20.85	3.87	2.81
	<b>159.73</b>	<b>169.91</b>	<b>17.13</b>	<b>13.26</b>
(D)	<b>530.83</b>	<b>647.97</b>	<b>101.27</b>	<b>98.20</b>
<b>Total (A+B+C+D)</b>	<b>1,453.51</b>	<b>1,390.40</b>	<b>614.22</b>	<b>607.82</b>

(Rs. Million)

## 15 TRADE RECEIVABLES

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current		Current	
a) Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	361.38	578.52
Unsecured, considered doubtful	1,129.43	2,267.98	-	-
Less: Provision for doubtful debts	(1,129.43)	(2,267.98)	-	-
(A)	-	-	361.38	578.52
b) Others				
Unsecured, considered good	16.15	79.08	2,198.39	1,842.76
Unsecured, considered doubtful	34.30	41.89	-	-
Less: Provision for doubtful debts	(34.30)	(41.89)	-	-
(B)	16.15	79.08	2,198.39	1,842.76
Total (A+B)	16.15	79.08	2,559.77	2,421.28

(Rs. Million)

## 16 OTHER ASSETS

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current		Current	
Non Current Bank Balances (Note 18)	1.03	1.11	-	-
Unbilled revenue	65.34	22.74	1,006.07	1,059.60
Less : Provision for Unbilled Revenue	(53.78)	(10.54)	(180.10)	(180.10)
Interest Receivable	-	-	6.46	6.14
Derivative Instrument Fair Value Asset (Refer Note 42)	-	-	18.33	-
	12.59	13.31	850.76	885.64

(Rs. Million)

## 17 INVENTORIES

	As at	
	March 31, 2017	March 31, 2016
As at the end of the year		
a) Education and Training Material*		
- Others	11.26	66.90
b) Software	6.73	1.98
	17.99	68.88
As at the beginning of the year		
a) Education and Training Material		
- Others	66.90	42.69
b) Software	1.98	2.17
	68.88	44.86
(Increase)/ Decrease in Inventory	50.89	(24.02)

\* Net of provision for non-moving inventories of Rs. 27.72 Million (Previous year Rs. 13.01 Million).

(Rs. Million)

## 18 CASH AND BANK BALANCES

	As at			
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non-Current		Current	
<b>Cash and cash equivalents:</b>				
Balance with banks				
-Current Accounts	-	-	996.36	722.56
[Includes Rs. 34.44 Million (Previous year Rs. 72.48 Million) pertaining to amount earmarked for specific contract]				
-Bank deposits with original maturity of 3 months or less	-	-	26.25	79.87
Cheques and drafts on hand	-	-	17.71	25.74
Cash on hand	-	-	7.76	23.24
<b>Sub Total (A)</b>	-	-	<b>1,048.08</b>	<b>851.41</b>
<b>Other bank balances:</b>				
Bank deposits *				
-With original maturity of more than 3 months and upto 12 months	-	-	214.72	24.81
-With original maturity of more than 12 months	1.03	1.11	-	-
Dividend Accounts	-	-	7.52	9.49
*pledged as margin money				
<b>Sub Total (B)</b>	<b>1.03</b>	<b>1.11</b>	<b>222.24</b>	<b>34.30</b>
<b>Total (A + B)</b>	<b>1.03</b>	<b>1.11</b>	<b>1,270.32</b>	<b>885.71</b>
<b>Amount disclosed under "Other Non Current Assets" (Refer note 16) (C)</b>	<b>(1.03)</b>	<b>(1.11)</b>	<b>-</b>	<b>-</b>
<b>Total (A + B + C)</b>	<b>-</b>	<b>-</b>	<b>1,270.32</b>	<b>885.71</b>

## 19 CONTINGENT LIABILITIES

(Rs. Million)

### a) i). Claims against the Group (including Associate Company) not acknowledged as debts:-

	As at	
	March 31, 2017	March 31, 2016
- Customers	35.18	8.53
- Sales Tax/ VAT	5.08	1.40
- Works Contract Tax	31.32	31.32
- Excise Matters	66.97	67.16
- Custom Duty	4.80	4.80
- Service Tax	38.70	38.70
- Income Tax	545.74	514.51
- Others*	39.84	14.44

\*Includes amount of Rs. 17.98 Million pertaining to alleged dues towards provident fund payable by vendors of the Company which the Company is contesting and also includes a notice received subsequent to year end amounting to Rs. 21.86 Million towards property lease rent on which the Group currently operates one of its insititute.

- ii) The Holding Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax (CIT) for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. The orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal. The Tribunal has since passed order for AY 1999-00 wherein the Tribunal decided the issue of assumption of jurisdiction against the Company. On merits, Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for a fresh examination. The Holding Company has filed an appeal before the Hon'ble High Court against the aforesaid order of the Tribunal which is pending for disposal. At this stage there is no ascertained/quantified demands. Based on a legal opinion, the Holding Company has fair chances of obtaining adequate relief before the Hon'ble High Court.

It is not practical for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not foresee any financial implication based on the advice of legal counsel.

The Group does not expect any reimbursements in respect of the above.

**b) Guarantees**

- i) Guarantees issued by bankers outstanding at the end of the year Rs. 16.56 Million (Previous year Rs. 34.83 Million).
- ii) Guarantees issued to bankers outstanding at the end of the year Rs. 450 Million (Previous year Nil).
- iii) Corporate Guarantee Nil [Previous year Rs. 562.49 Million (USD 8.5 Million)] issued to Skill Soft Corporation, USA & Skill Soft Ireland Limited to secure them against any indemnification obligations of NIIT Ventures Inc. (a step down subsidiary of the Company) and NIIT (USA) Inc., with respect to sale of Element K Corporation (erstwhile step down subsidiary of the Company) in an earlier year.
- iv) Corporate Guarantee to National Skill Development Corporation to secure loan of Rs. 90.00 Million (Previous year Rs. 142.64 Million) availed by NIIT Yuva Jyoti Limited, a subsidiary of the Holding Company (Refer Note 37).
- v) Corporate Guarantee to National Skill Development Corporation to secure them in the event of default on the part of NIIT Yuva Jyoti Limited in making payment towards outstanding royalty amount of Rs. 136.49 Million (Previous year Nil) (Refer Note 36).

**c) Other monies for which the Group is contingently liable**

- i) Security for working capital limits on behalf of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Nil (Previous year Rs. 30 Million) [Amount Outstanding at year end Nil (Previous year Nil)]
- ii) Standby Letter of Credit issued by banks by earmarking working capital facility of the Holding Company aggregating Rs. 486.44 Million [USD 7.5 Million] (Previous year Rs. 496.31 Million [USD 7.5 Million]) for working capital limit in favour of NIIT (USA) Inc. Corresponding loan availed as at year end is Nil (Previous year Rs. 145.59 Million).

**20 CAPITAL COMMITMENTS AND OTHER COMMITMENTS**

- a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided (including Associate Company) for Rs. 334.27 Million (Previous year Rs. 580.69 Million).
- b) For commitments related to lease arrangements, refer note 34.
- c) There are certain contracts with state governments under which the Group is required to transfer ownership of the fixed assets and equipments under leasing arrangements at the end of the contract term. The Group does not anticipate any cash outflow or expense on such transfer.
- d) The Holding Company has outstanding letters of credit of Rs. Nil (Previous year Rs. 26.58 Million).
- e) During the year the Holding Company has issued support letters to its subsidiary companies, namely NIIT Yuva Jyoti Limited, Mindchampion Learning Systems Limited and NIIT Antilles NV.

(Rs. Million)

### 21 REVENUE FROM OPERATIONS

	Year ended	
	March 31, 2017	March 31, 2016
<b>Sale of Products :</b>		
Courseware Revenue	1,171.92	1,263.69
Hardware & Accessories Revenue	100.81	52.43
<b>Sale of Services</b>	10,603.89	8,752.40
	<b>11,876.62</b>	<b>10,068.52</b>

(Rs. Million)

### 22 OTHER INCOME

	Year ended	
	March 31, 2017	March 31, 2016
Interest Income	58.50	16.62
Profit on sale of Current Investments (Net)	0.03	0.57
Dividend Income from Current Investments	-	0.12
Provision/ Other Liabilities written back	6.66	18.36
Gain on Sale of Fixed Assets (Net)	2.57	1.27
Gain on foreign currency translation and transaction (Net)	-	20.73
Other non-operating income	56.87	18.75
	<b>124.63</b>	<b>76.42</b>

(Rs. Million)

### 23 EMPLOYEE BENEFITS EXPENSES \*

	Year ended	
	March 31, 2017	March 31, 2016
(Refer Note 25 and 32)		
Salaries and Benefits	3,446.53	3,108.04
Contribution to Provident and Other Funds	187.64	156.41
Welfare and Other expenses	77.38	64.79
	<b>3,711.55</b>	<b>3,329.24</b>

\* Net of expenses amounting to Rs. Nil (Previous year Rs. 9.97 Million).

### 24 EMPLOYEE BENEFITS

#### A) Defined Contribution Plans

The Group makes contribution towards Provident Fund (other than NIIT Limited and certain other domestic subsidiaries), Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Group has charged the following costs in Contribution to Provident and Other Funds in the Consolidated Statement of Profit and Loss:-

(Rs. Million)

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Employers' Contribution to Provident Fund	38.37	32.62
Employers' Contribution to Superannuation Fund	12.39	11.63
Employers' Contribution to Employees Pension Scheme	49.27	42.90
Employers' Contribution to Employee National Pension System	1.31	1.04
Contribution to 401 (K) and Other plans	34.11	31.84
<b>Total</b>	<b>135.45</b>	<b>120.03</b>

Contribution towards Superannuation Fund to the defined contribution plans includes following cost for Key Managerial Personnel:

(Rs. Million)

	Year ended	
	March 31, 2017	March 31, 2016
Employers' Contribution to Superannuation Fund	1.73	1.69
Employers' Contribution to Employees Pension Scheme	0.01	0.02
Employers' Contribution to Employee National Pension System	0.40	0.41

### B) Defined Benefit Plans

#### I. Provident Fund

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust") [for NIIT Limited and certain other domestic subsidiaries]. The Group contributed Rs. 27.06 Million (Previous year Rs. 25.72 Million) including Rs. 1.95 Million (Previous year Rs. 1.95 Million) in respect of Key Managerial personnel during the year to the Trust.

The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Group's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The guidance on implementing AS 15 Employee Benefits (revised 2005), issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at March 31, 2017.

The details of fund and plan assets of the Trust as at March 31, 2017 (limited to the extent provided by the actuary):

(Rs. Million)

#### (i) Change in Defined Benefit Obligation

	As at	
Particulars	March 31, 2017	March 31, 2016
Present Value of Defined Benefit Obligation as at the beginning of the year	7.37	5.64
Current service cost	0.83	0.82
Interest Cost	0.57	0.44
Actuarial (gain)/ loss on Obligations	(1.35)	0.47
<b>Present Value of Defined Benefit Obligation as at the end of the year</b>	<b>7.42</b>	<b>7.37</b>

(Rs. Million)

#### (ii) Change in Fair Value of Assets

	As at	
Particulars	March 31, 2017	March 31, 2016
Fair value of Plan Assets as at the beginning of the year	119.06	91.76
Actuarial (loss) / gain on Plan Assets	13.62	27.30
<b>Fair value of Plan Assets as at the end of the year</b>	<b>132.68</b>	<b>119.06</b>

(Rs. Million)

#### (iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :

	As at	
Particulars	March 31, 2017	March 31, 2016
Present value of Defined Benefit Obligation	7.42	7.37
Fair Value of Plan Assets	132.68	119.06
Funded Status [Surplus/(Deficit)] with the trust	125.26	111.69
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>-</b>	<b>-</b>

### (iv) Assumptions used in accounting for provident Fund:-

#### Particulars

Discount Rate (Per Annum)  
Expected return on Plan Assets  
Expected guaranteed interest

Year ended	
March 31, 2017	March 31, 2016
7.00%	7.75%
8.60%	8.60%
8.60%	8.75% and 8.60% for subsequent years

### v) Investment details of Plan Assets:-

Government Securities  
Debt Instruments  
Equities  
Short term Debt Instruments

Year ended	
March 31, 2017	March 31, 2016
49.74%	47.39%
47.69%	51.09%
1.95%	0.91%
0.62%	0.61%
<b>100.00%</b>	<b>100.00%</b>

## II. Compensated Absences

#### Particulars

### i) Change in Present value of Obligation:-

Present value of obligation as at the beginning of the year  
Interest Cost  
Past Service cost  
Current service cost  
Benefits Paid  
Actuarial (gain)/ loss on Obligations  
Present value of obligation as at the end of the year

(Rs. Million)	
Year ended	
March 31, 2017	March 31, 2016
89.05	98.77
4.32	5.67
-	(14.51)
20.49	27.40
(3.91)	(0.58)
(21.31)	(27.70)
<b>88.64</b>	<b>89.05</b>

#### Classification in Balance Sheet :

- Long Term  
- Short Term

3.19 3.64  
85.45 85.41

### ii) Principal actuarial assumptions used in accounting for Compensated Absences:-

#### Particulars

Discount Rate (per annum)  
Future Salary Increase  
Estimates of future salary increase (cost to the Company) considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Year ended	
March 31, 2017	March 31, 2016
3.60% to 7.00%	3.10% to 7.75%
7.00% to 10.00%	7.00% to 10.00%

## III. Gratuity Fund

### I. Funded

#### Particulars

### i) Change in Present value of Obligation:-

Present value of obligation as at beginning of the year  
Interest cost  
Current service cost  
Benefits paid  
Actuarial (gain)/ loss on obligations  
Present value of obligation as at the year end

(Rs. Million)	
Year ended	
March 31, 2017	March 31, 2016
115.43	125.55
8.23	8.63
12.42	13.85
(18.44)	(26.34)
11.23	(6.26)
<b>128.87</b>	<b>115.43</b>

### ii) Change in Plan Assets:-

Fair value of Plan Assets as at the beginning of the year  
Expected return on Plan Assets  
Contributions  
Benefits Paid  
Actuarial (loss)/ gain on Plan Assets  
Fair value of Plan Assets as at the end of the year

86.01	97.29
7.55	7.91
12.46	9.51
(18.44)	(28.35)
(0.80)	(0.35)
<b>86.78</b>	<b>86.01</b>

Actuary's estimates of contributions for the next financial year is Rs. 56.92 Million (Previous year Rs. 42.67 Million).

iii) Amount of Asset/ (Obligation) recognised in the Balance Sheet:-	Fair value of Plan Assets as at the end of the year	Present value of obligation as at the end of the year	Assets/ (obligation) recognised in Balance Sheet*
As at March 31, 2017	86.78	128.87	(42.09)
As at March 31, 2016	86.01	115.43	(29.42)
As at March 31, 2015	97.29	125.55	(28.26)
As at March 31, 2014	93.82	97.97	(4.15)
As at March 31, 2013	93.54	102.84	(9.30)

\* Net of assets recognised in Balance Sheet Nil (Previous year Rs. 0.09 Million)

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2017	March 31, 2016
iv) Net Gratuity Cost recognised in Consolidated Statement of Profit and Loss:-		
Current service cost	12.42	13.85
Interest cost	8.23	8.63
Expected return on Plan Assets	(7.55)	(7.91)
Net Actuarial (gain)/ loss recognised during the year	12.03	(3.91)
Expense recognised in Consolidated Statement of Profit and Loss (under contribution to provident and other funds)	25.13	10.66
Actual return on plan assets	6.76	7.58

### v) Assumptions used in accounting for gratuity plan:-

	Year ended	
	March 31, 2017	March 31, 2016
Discount Rate (Per Annum)	7.00%	7.75%
Future Salary Increase	6.00%	6.00%
Expected Rate of return on plan assets	8.45%	9.10%

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

### vi) Investment details of Plan Assets:-

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

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

### II. Non Funded

(Rs. Million)

Particulars	Year ended	
	March 31, 2017	March 31, 2016
<b>i) Change in Present value of Obligation:-</b>		
Present value of obligation as at beginning of the year	-	0.03
Current service cost	-	-
Benefits paid	-	(0.03)
<b>Present value of obligation as at the year end</b>	<b>-</b>	<b>-</b>

### ii) Assumptions used in accounting for gratuity plan:-

	Year ended	
	March 31, 2017	March 31, 2016
Discount Rate (Per Annum)	-	7.75%
Future Salary Increase	-	6.00%

Gratuity expenses recognised for funded and non-funded schemes in Consolidated Statement of Profit and Loss amounts to Rs. 25.13 Million (Previous year Rs. 10.66 Million) and has been disclosed under Contribution to Provident and Other Funds. Gratuity liability recognised for funded and non-funded schemes as at year end amounts to Rs. 42.09 Million (Previous year Rs. 29.51 Million).

## 25 EMPLOYEES STOCK OPTION SCHEME

During the year 2005-06, the Company had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company 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. 2/- each (Rs. 10/- each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

The summary of options granted is as follows:

Particulars	Grant V		Grant VI		Grant VII			
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Date of Grant	26-Oct-09	26-Oct-09	23-Jan-10	23-Jan-10	22-Oct-10	22-Oct-10	22-Oct-10	22-Oct-10
Date of Vesting	26-Oct-12	26-Oct-12	23-Jan-13	23-Jan-13	22-Oct-12	22-Oct-12	22-Oct-13	22-Oct-13
Live options at the beginning of the year (Nos.)	601,582	860,571	40,640	52,510	-	12,000	-	12,000
Granted during the year (Nos.)	-	-	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-
Options Vested (Nos.)	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos.)	37,760	148,099	6,950	10,480	-	12,000	-	12,000
Options exercised (Nos)	25,060	110,080	-	1,390	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	538,762	601,582	33,690	40,640	-	-	-	-
Exercise Price (Rs.)	72.20	72.20	69.20	69.20	67.65	67.65	67.65	67.65
Remaining Contractual Life (Days)	-	-	-	-	-	-	-	-
Fair value of the options based on Black and Scholes Model (Rs.)	36.64	36.64	34.74	34.74	32.00	32.00	34.35	34.35
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-

Particulars	Grant IX				Grant X			
	Vest 1		Vest 2		Vest 1		Vest 2	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Date of Grant	21-May-14	21-May-14	21-May-14	21-May-14	28-Aug-14	28-Aug-14	28-Aug-14	28-Aug-14
Date of Vesting	20-May-15	20-May-16	20-May-16	20-May-17	28-Aug-15	28-Aug-16	28-Aug-17	28-Aug-17
Live options at the beginning of the year (Nos.)	316,800	469,300	376,100	469,300	56,666	123,332	123,336	123,336
Granted during the year (Nos.)	-	-	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	469,300	376,100	60,200	-	50,000	76,668	-
Forfeited/ lapsed post vesting (Nos)	300	-	-	-	-	73,332	-	-
Options exercised (Nos)	33,300	152,500	26,600	-	10,000	26,666	-	-
Outstanding/ exercisable at the end of the year (Nos)	283,200	316,800	349,500	376,100	46,666	46,666	123,332	123,336
Exercise Price (Rs.)	35.40	35.40	35.40	35.40	49.75	49.75	49.75	49.75
Remaining Contractual Life (Days)	1,147	1,512	1,877	1,877	1,247	1,612	1,977	2,342
Fair value of the options based on Black and Scholes Model (Rs.)	10.66	10.66	11.45	14.35	15.50	16.61	19.78	19.78
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-

Particulars	Grant XI									
	Vest 1		Vest 2		Vest 3		Vest 4		Vest 5	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Date of Grant	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14
Date of Vesting	17-Oct-15	17-Oct-15	17-Oct-16	17-Oct-16	17-Oct-17	17-Oct-17	17-Oct-18	17-Oct-18	17-Sep-19	17-Sep-19
Live options at the beginning of the year (Nos.)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Granted during the year (Nos.)	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	200,000	200,000	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	2,000	-	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	198,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Exercise Price (Rs.)	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50
Remaining Contractual Life (Days)	1,010	1,375	1,010	1,375	1,010	1,375	1,010	1,375	1,010	1,375
Fair value of the options based on Black and Scholes Model (Rs.)	14.71	14.71	15.23	15.23	15.80	16.27	16.27	16.27	16.79	16.79
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2017

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The summary of options granted is as follows:

Particulars	Grant XII				Grant XIII				Grant XIV			
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Date of Grant	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	17-Jul-15	17-Jul-15	17-Jul-15	17-Jul-15	17-Jul-15	19-Jan-16
Date of Vesting	24-Jun-16	24-Jun-16	24-Jun-17	24-Jun-17	24-Jun-18	24-Jun-18	17-Jul-16	17-Jul-16	17-Jul-17	17-Jul-18	17-Jul-18	19-Jan-17
Live options at the beginning of the year (Nos.)	483,332	-	483,332	-	483,336	-	498,299	-	498,299	-	498,402	35,000
Granted during the year (Nos.)	-	533,332	-	533,332	-	533,336	-	511,631	-	511,631	-	35,000
Forfeited/ lapsed till vesting period (Nos.)	50,000	50,000	133,333	50,000	133,334	50,000	13,332	13,332	79,998	13,332	80,004	-
Options Vested (Nos)	483,332	-	-	-	-	-	-	484,967	-	-	-	35,000
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	58,333	-	-	-	-	-	-	124,994	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	374,999	483,332	349,999	483,332	350,002	483,336	359,973	498,299	418,301	498,299	418,398	35,000
Exercise Price (Rs.)	41.60	41.60	41.60	41.60	41.60	41.60	52.15	52.15	52.15	52.15	52.15	75.65
Remaining Contractual Life (Days)	1,555	1,911	1,911	2,276	2,276	2,641	1,569	1,934	1,934	2,299	2,664	1,754
Fair value of the options based on Black and Scholes Model (Rs.)	13.45	13.45	14.38	14.38	15.07	15.07	17.01	17.01	18.21	18.21	19.08	25.91
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Grant XV						Grant XVI						Grant XVII					
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Date of Grant	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	19-Jan-16	16-Jun-16	16-Jun-16	16-Jun-16	16-Jun-16	16-Jun-16	16-Jun-16	05-Feb-17	05-Feb-17	05-Feb-17	05-Feb-17	05-Feb-17	05-Feb-17
Date of Vesting	19-Jan-17	19-Jan-17	19-Jan-18	19-Jan-18	19-Jan-19	19-Jan-19	16-Jun-17	16-Jun-17	16-Jun-18	16-Jun-18	16-Jun-19	16-Jun-19	05-Feb-18	05-Feb-18	05-Feb-19	05-Feb-19	05-Feb-20	05-Feb-20
Live options at the beginning of the year (Nos.)	30,000	-	30,000	-	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Granted during the year (Nos.)	-	30,000	-	30,000	-	30,000	106,656	106,656	106,656	106,656	106,688	46,664	46,664	46,664	46,664	46,664	46,672	46,672
Forfeited/ lapsed till vesting period (Nos.)	30,000	-	30,000	-	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	-	30,000	-	30,000	-	30,000	93,324	93,324	93,324	93,352	93,352	46,664	46,664	46,664	46,664	46,672	46,672	46,672
Exercise Price (Rs.)	75.65	75.65	75.65	75.65	75.65	75.65	83.30	83.30	83.30	83.30	83.30	73.60	73.60	73.60	73.60	73.60	73.60	73.60
Remaining Contractual Life (Days)	1,754	2,119	2,119	2,484	2,484	2,849	1,901	2,296	2,631	2,631	2,631	2,136	2,501	2,866	2,866	2,866	2,866	2,866
Fair value of the options based on Black and Scholes Model (Rs.)	25.91	25.91	27.48	27.48	28.50	28.50	30.30	31.88	33.17	33.17	33.17	25.87	27.13	28.29	28.29	28.29	28.29	28.29
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2017

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The assumptions used by independent valuers, for determination of fair value of a share of Rs. 2/- each fully paid up as per the Black & Scholes Model are as follows:

Particulars	Grant V			Grant VI			Grant VII			Grant IX			Grant X		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	72.2	69.2	67.65	67.65	67.65	67.65	35.4	35.4	35.4	35.4	35.4	35.4	49.75	49.75	49.75
Exercise price	72.2	69.2	67.65	67.65	67.65	67.65	35.4	35.4	35.4	35.4	35.4	35.4	49.75	49.75	49.75
Dividend yield	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%
Volatility	61.68%	61.44%	61.44%	60.71%	63.40%	60.71%	39.04%	37.65%	48.22%	40.75%	39.51%	46.99%	39.51%	46.99%	46.99%
Average life of the options (in years)	4.5	4.5	4.5	4.5	4.5	4.5	3.5	3.5	4.5	5.5	3.5	4.5	3.5	4.5	5.5
Risk free rate	7.19%	6.80%	7.56%	7.73%	8.68%	7.73%	8.68%	8.73%	8.78%	8.78%	8.73%	8.78%	8.73%	8.73%	8.70%

Particulars	Grant XI			Grant XII			Grant XIII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	48.5	48.5	48.5	48.5	41.60	41.60	41.60	52.15	52.15
Exercise price	48.5	48.5	48.5	48.5	41.60	41.60	41.60	52.15	52.15
Dividend yield	3.96%	3.96%	3.96%	3.96%	3.50%	3.50%	3.50%	3.50%	3.50%
Volatility	42.47%	41.13%	40.48%	39.82%	42.73%	41.13%	39.89%	43.53%	40.55%
Average life of the options (in years)	3.11	3.61	4.11	5.07	3.5	4.5	5.5	3.5	4.5
Risk free rate	8.48%	8.49%	8.50%	8.51%	7.95%	7.93%	7.92%	7.79%	7.90%

Particulars	Grant XIV			Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	75.65	75.65	75.65	83.30	83.30	83.30	83.30	73.60	73.60	73.60	73.60	73.60
Exercise price	75.65	75.65	75.65	83.30	83.30	83.30	83.30	73.60	73.60	73.60	73.60	73.60
Dividend yield	3.50%	3.50%	3.50%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%	3.01%
Volatility	47.11%	47.11%	44.92%	42.94%	48.89%	45.98%	44.05%	48.75%	45.93%	44.36%	44.36%	44.36%
Average life of the options (in years)	3.5	3.5	3.5	3.5	4.5	5.5	5.5	3.5	4.5	5.5	5.5	5.5
Risk free rate	7.47%	7.47%	7.67%	7.58%	7.67%	7.52%	7.52%	6.41%	6.41%	6.41%	6.41%	6.41%

Other information regarding employees share based payment is as below:

Particulars	Grant IX			Grant X		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	-	0.69	0.58	2.15	1.52	1.81
					0.79	0.61
					1.02	0.31
					0.81	0.81

(Rs. Million)

Particulars	Grant XI			Grant XII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	-	1.61	0.83	1.52	1.05	0.81
					0.81	0.67
					0.67	0.67

Particulars	Grant XIII			Grant XIV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	1.36	5.02	2.52	2.68	1.76	1.88
					6.01	3.81
					3.22	2.66
					2.25	0.73
					0.18	0.18

Particulars	Grant XV			Grant XVI			Grant XVII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
	-	0.16	-	0.08	2.24	1.18	0.82	0.18	0.10
					0.06	0.82	0.18	0.10	0.07

For impact on Basic and Dilutive EPS, had fair value of the option been used for determining ESOP expense, refer Note 30.

(Rs. Million)

## 26 FINANCE COSTS

	Year ended	
	March 31, 2017	March 31, 2016
Interest Expense	218.29	202.95
Other Borrowing Costs	22.95	8.41
	<u>241.24</u>	<u>211.36</u>

(Rs. Million)

## 27 OTHER EXPENSES \*

	Year ended	
	March 31, 2017	March 31, 2016
Equipment Hiring	375.40	432.45
Royalties	31.25	61.83
Freight and Cartage	14.86	23.24
Rent (net of recoveries)	257.13	293.99
Rates and Taxes	10.55	16.43
Power & Fuel	74.10	91.87
Communication	126.83	117.90
Legal and Professional (Refer Note 28)	200.74	203.07
Travelling and Conveyance	474.87	460.50
Provision for Doubtful Debts	124.50	49.42
Bad Debts Written off	1.01	16.47
Less:-Provision for Doubtful Debts written back	-	(16.47)
Provision for Doubtful Advances	0.63	0.69
Provision for Unbilled Revenue	53.78	54.15
Advances Written off	0.50	2.20
Insurance	15.70	15.40
Repairs and Maintenance		
- Plant and Machinery	24.56	32.18
- Buildings	3.22	3.00
- Others	61.59	66.14
Consumables	54.31	49.87
Loss on foreign currency translation and transactions (net)	75.33	-
Security and Administration Services	31.66	27.69
Bank Charges	22.90	26.33
Marketing & Advertising Expenses	363.29	410.96
Sales Commission	6.16	6.99
Discounts & Rebates	13.96	47.23
Sundry Expenses	40.85	38.08
	<u>2,459.68</u>	<u>2,531.61</u>

\* Net of expenses amounting to Rs. Nil (Previous year Rs. 65.99 Million).

(Rs. Million)

### 28 PAYMENT TO AUDITORS

	Year ended	
	March 31, 2017	March 31, 2016
a) Payment to the Holding Company auditor:		
- Audit Fee	8.76	9.61
- Tax Audit Fee	0.55	0.55
- Limited Review Fee	1.65	1.65
For other Certification*	0.56	0.49
For reimbursement of expenses (including service tax)	2.62	3.09
	<u>14.14</u>	<u>15.39</u>

\* Net of Rs. 0.20 Million recovered from promoters (Refer note 44)

b) Payment to other auditors amounting to Rs. 10.82 Million (Previous year Rs. 11.66 Million).

(Rs. Million)

### 29 EXCEPTIONAL ITEMS [net] Income/ (Expenditure)

	Year ended	
	March 31, 2017	March 31, 2016
Expenses incurred for retrospective change in legislation	-	(6.18)
Provision for doubtful debts and other balances (Expense)/ Write back	16.18	4.62
Provision for business support on account of change in delivery technology (Expense)/ Write back	-	17.42
	<u>16.18</u>	<u>15.86</u>

Exceptional items as above comprise; items of income/ (expenditure), arising from ordinary activities of the Group, of such size, nature or incidence that their separate disclosure is considered appropriate, to better explain the performance for the year :-

- During the previous year, the Group had created an additional provision for bonus amounting to Rs. 6.18 Million 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.
- During the year, the Group has written back provisions amounting to Rs. 16.18 Million (Previous year 4.62 Million) for doubtful debts and advances recoverable, for which provisions were recognised as exceptional items in earlier years, based on collections received.
- In earlier years, the Group had made provision for inventory and provision for business support as one time credit to eligible business partners, out of which an amount of Rs. 17.42 Million had been written back in previous year upon settlement of claims of the eligible business partners.

### 30. EARNINGS PER SHARE

	Year ended	
Particulars	March 31, 2017	March 31, 2016
Profit attributable to Equity Shareholders (Rs. Million) (A)	651.43	672.36
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	165,635,165	165,283,877
Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)	1,979,822	2,334,759
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (C)	167,614,987	167,618,636
Nominal Value of Equity Shares (Rs.)	2/-	2/-
Basic Earnings per Share (Rs.) (A/B)	3.93	4.07
Diluted Earnings per Share (Rs.) (A/C)	3.89	4.01
<b>EARNINGS PER SHARE [had fair value method been employed for accounting for Employee Stock Options (Refer note 25)]</b>		
Profit attributable to Equity Shareholders (Rs. Million) - (D)	625.20	637.88
Basic Earnings per Share (Rs.) (D/B)	3.77	3.86
Diluted Earnings per Share (Rs.) (D/C)	3.73	3.81

## 31 RELATED PARTY TRANSACTIONS AS PER ACCOUNTING STANDARD 18:

### a) Related parties with whom the Group has transacted:

#### Associate Companies

- 1 NIIT Technologies Limited
- 2 NIIT GIS Limited
- 3 NIIT Technologies Inc., USA
- 4 NIIT Technologies Limited., USA
- 5 NIIT Technologies Pte Limited, Singapore
- 6 NIIT Technologies Limited, UK
- 7 NIIT Technologies Limited, Brazil

#### Key Managerial Personnel

- 1 Rajendra S Pawar (Chairman)
- 2 Vijay K Thadani (Vice-Chairman & Managing Director)
- 3 P Rajendran (Joint Managing Director)
- 4 Rahul Keshav Patwardhan (Chief Executive Officer w.e.f. May 28, 2015)
- 5 Rohit Kumar Gupta (Chief Financial Officer till February 28, 2017)
- 6 Amit Roy (Chief Financial Officer w.e.f. March 01, 2017 )

#### Relatives of Key Managerial Personnel

- 1 Renuka Thadani (Wife of Vijay K Thadani)
- 2 Veena Oberoi (Sister of Vijay K Thadani)

#### Parties in which the Key Managerial Personnel of the Group are interested

- 1 NIIT Institute of Information Technology
- 2 NIIT Foundation (formerly known as NIIT Education Society)
- 3 Pace Industries Private Limited
- 4 NIIT Network Services Limited
- 5 NIIT University
- 6 Naya Bazaar Novelties Private Limited

### b) Details of significant transactions and balances with related parties :

(Rs. Million)

Nature of Transactions	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Dividend Income (Footnote i)	144.93 (137.69)	- (-)	- (-)	- (-)	144.93 (137.69)
Other Income (Footnote ii)	- (0.04)	- (-)	- (-)	1.46 (0.95)	1.46 (0.99)
Purchase of Goods (Footnote iii)	- (-)	- (-)	- (-)	0.36 (0.53)	0.36 (0.53)
<b>Purchase of Services</b> (Footnote iv)					
Employee Benefit Expense	- (-)	- (-)	- (-)	- (0.32)	- (0.32)
Other Expenses	- (-)	- (-)	- (-)	0.76 (0.55)	0.76 (0.55)
Other Services (Included in Other Expenses)	21.58 (21.47)	- (-)	- (-)	7.98 (3.37)	29.56 (24.84)
Professional Technical & Outsourcing Services	- (-)	- (-)	- (-)	32.71 (0.30)	32.71 (0.30)
<b>Recovery of Expenses By</b> (Footnote v)					
Employee Benefit Expense	0.04 (-)	- (-)	- (-)	- (-)	0.04 (-)
Other Expenses	8.55 (5.92)	- (-)	1.02 (1.81)	0.92 (8.45)	10.49 (16.18)
Professional Technical & Outsourcing Services	17.47 (9.78)	- (-)	- (-)	- (-)	17.47 (9.78)
<b>Recovery of Expenses From</b> (Footnote vi)					
Employee Benefit Expense	- (5.92)	- (-)	- (-)	0.76 (0.07)	0.76 (5.99)
Other Expenses	0.25 (1.05)	0.24 (-)	- (-)	1.08 (3.55)	1.57 (4.60)
Other Services (Included in Other Expenses)	0.58 (1.19)	- (-)	- (-)	- (0.01)	0.58 (1.20)
Professional Technical & Outsourcing Services	- (-)	- (-)	- (-)	0.02 (-)	0.02 (-)
Other Income	0.01 (-)	- (-)	- (-)	- (-)	0.01 (-)
Remuneration (Footnote vii)	- (-)	92.16 (79.66)	- (-)	- (-)	92.16 (79.66)
Sale of Courseware (Footnote viii)	- (-)	- (-)	- (-)	0.68 (1.96)	0.68 (1.96)
Sale of Services (Footnote ix)	11.22 (5.19)	- (-)	- (-)	6.72 (2.36)	17.94 (7.55)
Sale of Goods (Footnote x)	- (-)	- (-)	- (-)	7.31 (5.47)	7.31 (5.47)
Sale of Fixed Assets (Footnote xi)	- (-)	0.02 (-)	- (-)	- (-)	0.02 (-)

Refer Notes 19 & 20 for Guarantees, collaterals and commitments

### Footnotes:-

Previous year figures are given in parenthesis.

**i) Includes Dividend Income from:**

NIIT Technologies Limited Rs. 144.93 Million (Previous year Rs. 137.69 Million)

**ii) Other Income includes:**

NIIT Technologies Limited Nil (Previous year Rs. 0.04 Million)

NIIT University Rs. 1.36 Million (Previous year Rs. 0.95 Million)

NIIT Foundation Rs. 0.10 Million (Previous year Nil)

**iii) Includes Purchase of Goods from:**

Naya Bazaar Novelties Private Limited Rs. 0.36 Million (Previous year Rs. 0.53 Million)

**iv) Includes Purchase of Services from:**

**Employee Benefit Expense**

NIIT University Nil (Previous year Rs. 0.32 Million)

**Other Expenses**

NIIT University Nil (Previous year Rs. 0.23 Million)

NIIT Institute of Information Technology Rs. 0.76 Million (Previous year Rs. 0.32 Million)

**Other Services (Included in Other Expenses)**

NIIT University Rs. 7.98 Million (Previous year Rs. 3.37 Million)

NIIT Technologies Limited Rs. 21.58 Million (Previous year Rs. 21.47 Million)

**Professional Technical & Outsourcing Services**

NIIT University Rs. 32.71 Million (Previous year 0.30 Million)

**v) Includes Recovery of Expenses by:**

**Employee Benefit Expense**

NIIT Technologies Limited, UK Rs. 0.04 Million (Previous year Nil)

**Other Expenses**

NIIT University Nil (Previous year Rs. 6.14 Million)

NIIT Technologies Limited, UK Rs. 8.26 Million (Previous year Rs. 5.82 Million)

NIIT Technologies Limited Rs. 0.29 Million (Previous year Rs. 0.04 Million)

NIIT Network Services Limited Rs. 0.05 Million (Previous year Nil)

NIIT Foundation Rs. 0.75 Million (Previous year Rs. 1.58 Million)

Renuka Thadani Rs. 0.90 Million (Previous year Rs. 1.09 Million)

NIIT Technologies Inc., USA Nil (Previous year Rs. 0.06 Million)

Veena Oberoi Rs. 0.12 Million (Previous year Rs. 0.73 Million)

Pace Industries Private Limited Rs. 0.12 Million (Previous year Rs. 0.73 Million)

**Professional Technical & Outsourcing Services**

NIIT Technologies Pte Limited Rs. 2.41 Million (Previous year Rs. 2.28 Million)

NIIT Technologies Limited, Brazil Rs. 13.88 Million (Previous year Rs. 6.51 Million)

NIIT Technologies Limited, UK Rs. 1.18 Million (Previous year Rs. 0.99 Million)

**vi) Includes Recovery of Expenses From:**

**Employee Benefit Expense**

NIIT Foundation Rs. 0.02 Million (Previous year Rs. 0.02 Million)

NIIT Technologies Inc., USA Nil (Previous year Rs. 0.85 Million)

NIIT Technologies Limited Nil (Previous year Rs. 5.07 Million)

NIIT University Rs. 0.74 Million (Previous year Rs. 0.05 Million)

**Other Expenses**

NIIT Foundation Rs. 1.08 Million (Previous year Rs. 1.40 Million)

NIIT GIS Limited Rs. 0.03 Million (Previous year Rs. 0.01 Million)

NIIT Technologies Limited Rs. 0.22 Million (Previous year Rs. 1.04 Million)

NIIT University Nil (Previous year Rs. 2.15 Million)

Rajendra S Pawar Rs. 0.12 Million (Previous year Nil)

Vijay K Thadani Rs. 0.12 Million (Previous year Nil)

### Other Services (Included in Other Expenses)

NIIT Technologies Inc., USA Rs. 0.58 Million (Previous year Rs.1.19 Million)

### Other Income

NIIT Technologies Limited Rs. 0.01 Million (Previous year Nil)

### Professional Technical & Outsourcing Services

NIIT University Rs. 0.02 Million (Previous year Nil)

### vii) Remuneration Paid to :

Vijay K Thadani Rs. 15.56 Million (Previous year Rs. 15.62 Million)

P Rajendran Rs. 14.49 Million (Previous year Rs. 16.93 Million)

Rahul Keshav Patwardhan Rs. 47.33 Million (Previous year Rs. 32.28 Million)

Rohit Kumar Gupta Rs. 14.42 Million (Previous year Rs. 14.83 Million)

Amit Roy Rs. 0.36 Million (Previous year Nil)

### viii) Includes Sale of Courseware :

NIIT Foundation Rs. 0.68 Million (Previous year Rs. 1.96 Million)

### ix) Sale of Services

NIIT Foundation Rs. 5.49 Million (Previous year Rs. 1.60 Million)

NIIT Technologies Limited Rs. 3.35 Million (Previous year Rs. 1.94 Million)

NIIT Technologies Limited, USA Rs. 1.67 Million (Previous year Nil)

NIIT University Rs. 1.23 Million (Previous year Rs. 0.76 Million)

NIIT Technologies Pte Limited, Singapore Rs. 6.20 Million (Previous year Rs. 3.25 Million)

### x) Includes Sale of Goods :

NIIT Foundation Rs. 7.31 Million (Previous year Rs. 5.47 Million)

### xi) Sale of Fixed Assets

Rajendra S Pawar Rs. 0.02 Million (Previous year Nil)

### c) Outstanding Balances :

(Rs. Million)

Nature of Transactions	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Receivable	1.29 (8.61)	1.46 (0.03)	- (-)	10.17 (4.84)	12.92 (13.48)
Payable	6.61 (15.21)	0.14 (0.13)	- (-)	1.82 (8.77)	8.57 (24.11)

Note:- Refer Notes 19 and 20 for guarantees, collaterals and commitments as at the year end.

- 32 The Group is internally developing new software tools, platforms and content/ courseware. The investments would further expand the business of the Group in existing and new markets, enhance capabilities of its products and software and offer more technology based learning products/ solutions to the customers in future. The Group is confident of its ability to generate future economic benefits out of the above mentioned assets. The costs incurred towards the development is as follows:

(Rs. Million)

Description	Year ended	
	March 31, 2017	March 31, 2016
Salary and Other Employee Benefits	112.42	101.49
Professional & Outsourcing Expenses	57.33	7.15
Rent	5.28	4.71
Other Expenses	8.74	10.27
<b>Total</b>	<b>183.77</b>	<b>123.62</b>

### 33 SEGMENT INFORMATION

#### Primary Segment Information – Business Segment

The sub businesses are fully aligned to global learning business of the Group and the same are being viewed by the management as a single primary segment, i.e. learning business segment.

#### Secondary Segment Information – Geographical

The secondary segment information in relation to the geographies is as follows;

(Rs. Million)

Particulars	Revenue from customers by location of customers	Carrying amount of segment assets by location of the assets	Additions to fixed assets (including Intangibles under development)
India	3,441.98 (3,695.60)	10,713.62 (10,626.57)	308.10 (315.35)
America	3,976.92 (3,396.27)	1,693.23 (1,542.76)	43.32 (90.49)
Europe	3,554.79 (2,242.68)	1,321.99 (731.26)	4.42 (12.23)
Rest of the World	902.93 (733.97)	468.81 (504.81)	53.69 (37.73)
<b>Total</b>	<b>11,876.62</b> <b>(10,068.52)</b>	<b>14,197.65</b> <b>(13,405.40)</b>	<b>409.53</b> <b>(455.80)</b>

Previous year figures are given in parenthesis.

### 34 LEASES

#### Operating Leases:

Total of future Minimum Lease Payments under non-cancelable leases outstanding at the Balance Sheet date:

(Rs. Million)

Particulars	As at	
	March 31, 2017	March 31, 2016
Not later than 1 year	60.18	44.71
Later than 1 year but not later than 5 years	139.27	123.21
Later than 5 years	-	2.20

Aggregate payments during the year under operating leases in respect of equipments, vehicles and premises for office and employees accommodation amounting to Rs. 536.87 Million (Previous year Rs. 687.90 Million).

Sub lease receipts recognised in the Consolidated Statement of Profit and Loss for the year amounting to Rs.Nil (Previous year Rs.0.08 Million). The sublease has been netted off against the respective lease rental expenses in the Consolidated Statement of Profit and Loss.

- 35** During the year, the Holding Company has purchased 10% of the equity capital of NYJL from NSDC for a lump sum consideration of Rs. 28.51 Million as a result of which goodwill amounting to Rs. 28.51 Million has been recognised in these Consolidated Financial Statements. Consequently, NYJL has become a wholly owned subsidiary of NIIT Limited.
- 36** In consideration of NSDC supporting the skill development activities and initiatives of the NYJL, NYJL has entered into a revenue sharing agreement with NSDC. In terms of this agreement, the NYJL has agreed to pay an amount equal to 10% of Revenue of NYJL or the agreed amounts (as per agreement), whichever is higher. The first advance payment of royalty of Rs. 72.39 Million has been paid during the year. The balance amount of Rs. 136.49 Million is to be paid in 8 quarterly instalments commencing from April 2017. The entire amount is also covered by a Corporate Guarantee from Holding Company.

- 37 The Term Loan agreement with NSDC has been amended to reduce the total sanctioned limit to the availed amount of Rs. 142.64 Million. Out of the total availed loan an amount of Rs. 52.64 Million was paid to NSDC subsequent to signing of the agreements and the balance loan of Rs. 90 Million remains outstanding as at the end of the year. The Term Loan, carries an interest rate of 7.5% p.a., repayable in 5 years starting from December 2017 as per the amended agreement. The entire loan amount is also covered by a Corporate Guarantee from Holding Company which shall progressively reduce for any repayments made by the NYJL.
- 38 NYJL entered into a Market Development Assistance (MDA) Agreement with NSDC, whereby NSDC agreed to provide assistance for the specified purpose of market development in the focus sectors. MDA was to be disbursed in instalments over a period of 4 years and 4 months until March 31, 2016. NYJL received cumulative amount of Rs.166.94 Million which was fully utilized by the end of previous year. During the year, NYJL has entered into a new definitive agreement, wherein it has been agreed that NYJL shall not take any further assistance from NSDC and the MDA stands superseded by the definitive agreement to its closure.
- 39 NYJL has been unable to achieve its original business plan which has impacted its profitability resulting in an erosion of net worth of the NYJL as of March 31, 2017. NYJL has secured certain long term skill development contracts, and has an open order book which can be executed, and these are expected to help in improving the profitability of the Company. Additionally, the NYJL has also aligned its strategy to focus on its core competencies e.g. content and courseware development, provision of assessment & certification services, train the trainer services, and services to align courses to the Qualification Packs ( QP ) according to National Occupancy Standards (NOS). NYJL will also foray into program management services for education, training and skill development programs in partnership with private sector firms. Further, the Holding Company has confirmed operational and financial support for a period of at least one year from the date of approval of these financial statements. Considering the above, its financial statements have been prepared on a going concern basis.
- 40 The net worth of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) stood significantly eroded as at March 31, 2017. However, the Board of Directors of the Company are confident that based on improved financial performance in the current year and the future business projections, the Company is expected to witness an improved performance in the following years. Further, the Holding Company NIIT Limited has committed operational and financial supports to the Company. Accordingly, its financial statements have been prepared on a going concern basis.
- 41 NIIT Learning Solutions (Canada) Limited has accumulated losses as at the year-end. The Holding Company has confirmed its continuous financial and operational support. In view of the commitment received and its business plans, its financial statements are prepared on a going concern basis.

**42 Derivative Instruments**

The Holding Company's activities expose it to market risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts and foreign currency swap contracts are used to hedge certain foreign currency risk exposures and not as trading or speculative instruments.

Risk management is predominately controlled by a central treasury department of the Holding Company under policies approved by the Board of Directors. The central treasury department identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risks, use of derivative financial instruments and non-derivative financial instruments.

The note explains the Holding Company's exposure to financial risks and how these risks could affect the Holding Company's future financial performance. For managing its foreign exchange risk, the Company undertakes forward

covers for existing receivables balances and/or future commitment transactions. For risks related to variability of interest rates on long term borrowings, the Holding company has undertaken interest rate swaps.

- a) The Holding Company has taken forward covers against forecast sales which are expected to occur in next 12 months. The Holding Company has not designated these as effective hedges and has accounted for the mark to market gain of Rs. 18.33 Million (previous year Nil) to the Consolidated Statement of Profit and Loss with a corresponding debit to Derivative Instrument Fair Value Asset.
- b) The Holding Company's main interest rate risk arises from long-term borrowings in foreign currency with variable rates, which expose the group to cash flow interest rate and exchange risks.

The exposure of the Holding Company's borrowing to interest rate changes at the end of the reporting period is as follows:

Particulars	USD (Mn)	INR (Mn)	Interest Rates
Variable rate borrowings -1	16.05	1,000	USD 1M Libor + 175 bps
Variable rate borrowings -2	9.05	600	USD 1M Libor + 215 bps

- c) At the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding

Particulars	Weighted average interest rate	Balance	% of total loans
Interest rate swaps (notional principal amounts)	10.25%	1,718.03	94.76

- d) **Movement in cash flow hedging reserve**

Risk Category	Foreign currency risk	Interest rate risk	Total
Derivative	Foreign exchange forward contracts	Interest rate swap	
<b>As at 31st March, 2016</b>	<b>68.17</b>	<b>(5.33)</b>	<b>62.84</b>
Exchange Gain/ (loss) on derivative	(33.05)	(1.34)	(34.39)
Mark to Market Gain/ (loss) on derivative (Refer Note 4)	29.14	-	29.14
<b>As at 31st March, 2017</b>	<b>64.26</b>	<b>(6.67)</b>	<b>57.59</b>

- 43 During the year, the Holding Company has acquired the business from Perceptron Learning Solutions Private Limited ('Perceptron'). The strategic acquisition is expected to bring complementary technology platforms and capabilities to the Company. The Acquisition was made for an aggregate consideration of Rs. 24.85 Million. Out of the total consideration, an amount of Rs. 14.85 Million was paid during the year and Rs. 10 Million is payable based on achievement of performance based milestones. The purchase price has been allocated between the fair values of assets & liabilities based on an independent valuation report as a result of which a goodwill of Rs. 19.77 Million has been recognised in these financial statements.
- 44 The Board of Directors of the Holding Company has, in its meeting held on March 24, 2017, approved the amalgamation of PIPL Management Consultancy and Investment Private Limited ("PMPL") and Global Consultancy and Investment Private Limited ("GCPL") with NIIT Limited ("the Company or NIIT") by way of and in accordance with a scheme of amalgamation as per the provisions of Sections 230 to 232 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Scheme"). PMPL and GCPL hold 15.30% & 15.64% equity shares of NIIT Limited respectively and form part of promoter/ promoter group of NIIT Ltd. From the effective date, pursuant to the Scheme, the entire shareholding of PMPL and GCPL in the Company shall stand cancelled and the equivalent shares of the Company shall be re-issued to the shareholders of PMPL and GCPL as on the record date to be fixed for the purpose.

Pursuant to the proposed amalgamation of PMPL and GCPL with the Company, there will be no change in the promoter's shareholding in the Company. All cost and charges arising out of this proposed scheme of amalgamation shall be borne by the promoter/ promoter group.

The aforesaid Scheme is subject to various regulatory and other approvals and sanction by National Company Law Tribunal, New Delhi Bench and accordingly, not reflected in these Consolidated Financial Statements.

- 45 As required by the MCA notification G.S.R. 308(E) dated March 31, 2017, disclosure relating to Specified Bank Notes\* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016 is as below (excluding details of its Associates):

(Rs. Million)

Particulars	SBNs	Other denomination notes	Money Lying with Service Providers [Refer Note (a) below]	Total
Closing cash in hand as at November 8, 2016	4.86	0.38	5.79	11.03
(+) Permitted receipts	-	18.96	-	18.96
(+) Non-permitted receipts	-	-	-	-
(-) Permitted payments	-	0.16	-	0.16
(-) Cash paid for non-permitted transactions	-	-	-	-
(-) Amount deposited in banks	4.86	18.04	-	22.90
Closing cash in hand as at December 30, 2016	-	1.14	5.79	6.93

\* SBNs mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O.3407(E), dated November 8, 2016.

- The above information includes currency aggregating Rs. 5.79 Million which were lying with 70 Service Providers of the Company. Subsequent to December 30, 2016 but before the year end an amount aggregating to Rs. 3.71 Million was received by the Company from service providers through normal banking channels. The balance amounts have been debited to their respective accounts subsequent to year end.
- As the financial statements of associates are included in the consolidated financial statements using equity method of accounting, the details in respect of cash balances of an associate are not in the consolidated financial statements and therefore, not included above. However, in respect of an associate, certain contractual staff who were paid cash towards local conveyance reimbursements before the announcement of the aforesaid Circular, later requested for exchange of specified bank notes with other denomination notes. This resulted in receipt of SBNs of Rs. 3,500 during the period from November 8, 2016 to December 30, 2016. Further, at one of the branches, due to non-availability of cash in other denomination notes, certain usual office expenditure aggregating Rs. 9,211 was incurred using specified bank notes.

### 46 Disclosures mandated by Schedule III by way of additional information

Name of the entity	Year	Net Assets		Share in Profit or (Loss)	
		As % of Consolidated net assets	Amount (Rs Million)	As % of Consolidated profit or loss	Amount (Rs Million)
Parent Company					
NIIT Limited	2017	5.80	503.70	(34.51)	(224.79)
	2016	8.90	723.88	(24.58)	(165.25)
Indian Subsidiaries					
1. Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)	2017	6.33	548.65	8.19	53.33
	2016	6.09	495.28	(2.50)	(16.85)
2. NIIT Institute of Finance Banking and Insurance Training Limited	2017	1.06	91.59	7.27	47.38
	2016	0.65	52.93	9.35	62.86
3. NIIT Institute of Process Excellence Limited	2017	1.88	163.01	6.62	43.15
	2016	1.61	130.65	4.56	30.65
4. NIIT Yuva Jyoti Limited	2017	(0.15)	(12.97)	(6.37)	(41.47)
	2016	(1.62)	(131.41)	(6.30)	(42.33)
Foreign Subsidiaries					
1. NIIT (USA) Inc., USA	2017	9.53	825.16	19.34	125.99
	2016	8.83	718.77	11.14	74.93
2. NIIT Limited, UK	2017	0.14	12.10	(0.49)	(3.20)
	2016	0.37	30.23	4.56	30.69
3. NIIT Antilles NV	2017	1.28	111.25	0.16	1.06
	2016	1.44	117.10	0.04	0.29
4. NIIT Malaysia Sdn. Bhd	2017	0.76	65.60	3.29	21.41
	2016	0.66	53.54	1.15	7.72
5. NIIT GC Limited	2017	(0.16)	(13.65)	(1.44)	(9.36)
	2016	(0.06)	(4.67)	(0.47)	(3.16)
6. NIIT China (Shanghai) Limited	2017	0.09	7.72	7.29	47.47
	2016	(0.10)	(7.74)	4.82	32.39
7. NIIT WuXi Service Outsourcing Training School	2017	(0.07)	(6.13)	(4.80)	(31.30)
	2016	0.35	28.19	(0.87)	(5.83)
8. WuXi NIIT Information Technology Consulting Limited	2017	(0.02)	(2.00)	(0.00)	(0.01)
	2016	(0.02)	(2.00)	(0.00)	(0.03)
9. Chongqing NIIT Education Consulting Limited	2017	0.04	3.69	2.12	13.81
	2016	(0.11)	(8.90)	0.84	5.68
10. Changzhou NIIT Information Technology Consulting Limited	2017	0.15	12.71	0.09	0.60
	2016	0.16	13.40	1.24	8.35
11. Su Zhou NIIT Information Technology Consulting Limited	2017	0.32	27.53	1.01	6.59
	2016	0.31	25.40	0.44	2.98
12. PT NIIT Indonesia (Under Liquidation)	2017	-	-	-	-
	2016	-	-	-	-
13. NIIT West Africa Limited	2017	(0.71)	(61.77)	(3.96)	(25.80)
	2016	(0.48)	(38.69)	0.70	4.69
14. Qingdao NIIT Information Technology Company Limited	2017	(0.02)	(1.99)	(0.27)	(1.74)
	2016	(0.00)	(0.39)	(0.41)	(2.79)
15. Chongqing An Dao Education Consulting Limited	2017	0.09	7.83	0.01	0.08
	2016	0.10	8.37	0.60	4.04
16. Zhangjiagang NIIT Information Services Limited	2017	0.13	11.23	(0.34)	(2.20)
	2016	0.17	14.09	1.67	11.23
17. Chengmai NIIT Information Technology Company Limited	2017	0.06	5.07	(0.28)	(1.83)
	2016	0.09	7.42	0.25	1.70
18. Dafeng NIIT information technology Co., Limited	2017	-	0.02	(0.19)	(1.22)
	2016	(0.01)	(0.79)	0.20	1.32
19. Guizhou NIIT Information Technology Consulting Company Limited	2017	0.29	24.90	(0.54)	(3.54)
	2016	-	-	-	-
20. NIIT Ireland Limited	2017	0.35	29.96	3.96	25.77
	2016	0.06	5.01	(0.86)	(5.80)
21. NIIT Learning Solutions (Canada) Limited	2017	(0.16)	(13.62)	(2.18)	(14.23)
	2016	-	-	-	-
22. NIIT (Guizhou) Education Technology Co. Ltd	2017	0.25	21.89	3.47	22.59
	2016	-	-	-	-

Name of the entity	Year	Net Assets		Share in Profit or (Loss)	
		As % of Consolidated net assets	Amount (Rs Million)	As % of Consolidated profit or loss	Amount (Rs Million)
Minority Interest in all subsidiaries					
Indian					
1. NIIT Institute of Finance Banking and Insurance Training Limited	2017	0.26	22.14	(1.35)	(8.77)
	2016	0.17	13.41	(1.91)	(12.88)
2. NIIT Institute of Process Excellence Limited	2017	0.63	54.36	(1.66)	(10.79)
	2016	0.54	43.57	(1.14)	(7.66)
3. NIIT Yuva Jyoti Limited	2017	-	-	-	-
	2016	-	-	-	-
Foreign					
1. NIIT WuXi Service Outsourcing Training School	2017	0.33	27.88	0.26	1.72
	2016	0.34	27.25	0.01	0.07
2. WuXi NIIT Information Technology Consulting Limited	2017	0.02	1.98	(0.00)	(0.01)
	2016	0.02	1.98	(0.00)	(0.01)
3. Chongqing NIIT Education Consulting Limited	2017	0.00	0.14	(0.19)	(1.25)
	2016	0.00	0.14	-	-
4. Changzhou NIIT Information Technology Consulting Limited	2017	(0.01)	(0.58)	(0.03)	(0.17)
	2016	(0.01)	(0.58)	(0.35)	(2.39)
5. Su Zhou NIIT Information Technology Consulting Limited	2017	(0.02)	(1.43)	(0.29)	(1.88)
	2016	(0.02)	(1.43)	(0.12)	(0.85)
6. Chongqing An Dao Education Consulting Limited	2017	(0.02)	(1.33)	(0.00)	(0.02)
	2016	(0.02)	(1.33)	(0.16)	(1.05)
7. Zhangjiagang NIIT Information Services Limited	2017	0.02	1.73	0.10	0.63
	2016	0.02	1.73	(0.48)	(3.21)
8. Dafeng NIIT information technology Co., Limited	2017	-	-	0.05	0.35
	2016	0.02	1.73	(0.07)	(0.38)
Associate					
1. NIIT Technologies Limited	2017	71.53	6,195.42	95.65	623.08
	2016	71.53	5,820.14	98.64	663.24
Total	2017	100.00	8,661.79	100.00	651.43
	2016	100.00	8,136.28	100.00	672.36

47 Previous year figures, to the extent feasible, have been regrouped/ recast wherever necessary to conform to the current year's classification.

Signatures to Notes ' 1 ' to ' 47 ' above of these Financial Statements.

For and on behalf of the Board

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

**Rajendra S Pawar**  
Chairman  
DIN - 00042516

**Vijay K Thadani**  
Vice-Chairman & Managing Director  
DIN - 00042527

**Anupam Dhawan**  
Partner  
Membership No. 084451

**Amit Roy**  
Chief Financial Officer

**Deepak Bansal**  
Company Secretary

Place : Gurugram  
Date : May 17, 2017

## INVESTORS' FEEDBACK FORM

Dear Shareholder,

We are constantly making efforts to render best services to our respected and valued shareholders. In order to enable us to render best services to you, we want you to give your feedback on the quality of services rendered by us. You are requested to spare some time to fill up the feedback form below and submit it to us. It will enable us to improve the quality of our services and meet your expectations.

Thanks & Regards,

Sd/-

Deepak Bansal

Company Secretary

### INVESTORS' FEEDBACK FORM

(Please tick [v] the appropriate item and complete the form in CAPITAL LETTERS)

Kindly superscribe the envelope containing this form with "INVESTORS' FEEDBACK FORM" and send it to:

**Company Secretary**

NIIT Limited, 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019

\*Mandatory fields

Category of Investor : ☐ Body Corporate ☐ FII ☐ Mutual Fund ☐ Individual

Name of the Sole/First holder*	
Address*	
Folio No. ^ For Physical Holding	
DP ID and Client ID ^ (8+8 digit codes for NSDL / 16 digit code for CDSL)	
Number of shares held*	
Phone No. with STD Code	
E- mail*	

^ Either Folio No. or DP ID and Client ID should be mandatorily given.

1. Do you receive the annual report at least 15 days before the date of AGM? ☐ Yes ☐ No

2. Response time and satisfaction level you have experienced in:

	Area of Service	Time Limits				Don't Know/ Can't say
		within 7 days	Within 15 days	Within 30 days	More than 30 days	
A	Transfer of Shares					
B	Transmission of Shares					
C	Revalidation of Dividend Warrant					
D	Reply to Queries					
E	Redressal of Complaints					

## INVESTORS' FEEDBACK FORM

### 3. Area of Service

	Area of Service	Rating				Don't know/ Can't say
		4 (Excellent)	3 (Good)	2 (Average)	1 (Poor)	
1.	Quality and contents of Annual Report					
	A. Report on Corporate Governance					
	B. Management Discussion and Analysis					
	C. Balance Sheet, Profit and Loss Account and other financial statements					
2.	Investor Services Section of the Company's Website (www.niit.com)					
	A. Utility of Contents					
	B. Clarity					
	C. Appearance					
	D. Navigation and ease of use					
3.	Interaction with Company Officials					
	A. Comfortable/Polite/Empathetic					
	B. Speed of Response					
	C. Solution to problems/queries					
4.	Registrar & Transfer Agents (RTA) (M/s Alankit Assignments Limited, Delhi)					
	A. Speed of Response					
	B. Solution to problems/queries					

4. Overall Rating on the quality of our services      4 – Excellent      3 - Good      2 - Average      1 – Poor

5. What in your view are the growth drivers for the Company?

6. In your opinion, what is the key area of concern for the Company?

7. Any other Comments:

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**34<sup>th</sup> Annual General Meeting – Friday, September 22, 2017**

Name of the Member(s):

Registered Address:

Email:

DP ID No.:

Folio No. / Client ID No.:

I/We, being the member(s) of shares of the above named Company, hereby appoint:

1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him/her

2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him/her

3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Friday, September 22, 2017 at 10.00 A.M. IST at Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi – 110 074 and at any adjournment thereof in respect of such resolutions as are indicated below:

Proxy Form Cont...

Resolution Number	Resolution	Vote (Optional see Note 2)		
		No. of shares	For	Against
Ordinary Business				
1	Adoption of : (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017 together with 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, 2017 together with the Report of the Auditors thereon.			
2	Appointment Mr. Vijay K Thadani (DIN: 00042527), who retires by rotation and being eligible, offers himself for re-appointment, as a Director.			
3	Appointment of M/s S R Batliboi & Associates LLP, Chartered Accounts, (FRN 101049W/E300004) as Statutory Auditors and fix their remuneration			
Special Business				
4	Ratification of remuneration of Cost Auditor			
5	Payment of remuneration to Mr. Vijay K Thadani, Vice-Chairman and Managing Director of the Company			
6	Payment of remuneration to Mr. P Rajendran, Joint Managing Director of the Company			
7	Payment of commission to Non-executive Directors of the Company			
8	Re-classification of "AKM Systems Private Limited" as public shareholders'			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Member \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Revenue Stamp not less than Re.1/-

**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.
2. It is optional to indicate your preference. If you leave the For/Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. 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.
4. 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.
5. The Proxy Forms which does not state the name of proxy and/or which are undated, unstamped or inadequately stamped or upon which the stamps have not been cancelled shall not be considered as valid.
6. 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.
7. In case the meeting gets adjourned, the proxy given for the adjourned meeting shall revoke the proxy for the original meeting.
8. A proxy later in date shall revoke any proxy/proxies dated prior to such proxy.
9. For the resolutions, statement pursuant to Section 102 of the Companies Act, 2013 and notes, please refer Notice of the 34<sup>th</sup> Annual General Meeting.

## ATTENDANCE SLIP 34<sup>th</sup> Annual General Meeting – September 22, 2017

DP ID:

--	--	--	--	--	--	--	--

Folio No. / Client ID No.:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held:

--	--	--	--	--	--	--	--	--

I certify that I am a member/proxy for the member of the Company.

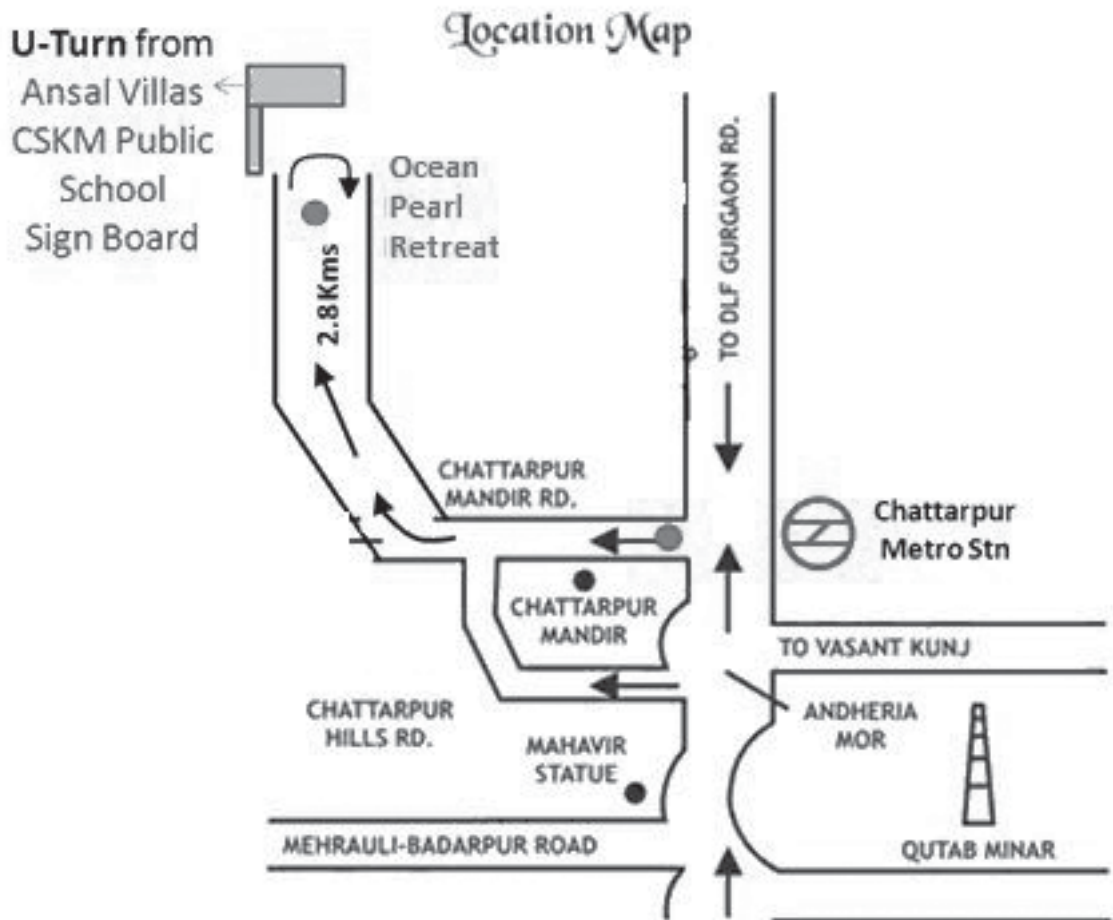
I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company held on Friday, September 22, 2017 at 10.00 a.m. IST. at Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari, New Delhi – 110 074

Name of the Member : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

Signature : \_\_\_\_\_

Note: Please complete this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report for reference at the meeting.



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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Fax: +1 770 551 9229

**NIIT Cognitive Arts**  
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Evanston IL 60201, USA  
Phone: +1 847 425 8500  
Fax: +1 847 425 8510

**NIIT Antilles NV**  
Landhuis Joonchi  
Kaya Richard J Beaujon z/n  
P O Box 837, Willemstad  
Curacao  
Phone: +00 5999 7331800

**NIIT Learning Solutions (Canada) Limited**  
1200, Waterfront Center, 200  
Burrard Street, Vancouver  
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Canada  
Phone: +1 888 454 6448

## EUROPE

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Fax: +44 207 002 0701

**NIIT Limited UK**  
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Fax: +0049 0 69 174872

**NIIT Limited (Norway Branch)**  
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Norway  
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Fax: +44-20700-20701

**NIIT Limited UK**  
(Netherlands Branch)  
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Fax: +44-20700-20701

**NIIT Ireland Limited**  
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## ASIA

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1566, Yan An West Road  
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Fax: +86 21 52581541

**Guizhou NIIT Information Technology Consulting Co., Ltd.**  
7th floor, High-end Equipment  
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New Area, Guiyang, Guizhou  
Province  
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Fax: +86-851-88556145

**India**  
• **NIIT Limited**  
• **NIIT Institute of Finance Banking and Insurance Training Limited**  
• **NIIT Institute of Process Excellence Limited**  
• **NIIT Yuva Jyoti Limited**  
• **Mindchampion Learning Systems Limited**

**Registered Office:**  
**NIIT Limited**  
8, Balaji Estate, First Floor  
Guru Ravi Das Marg, Kalkaji  
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Fax: +91 11 41407120

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Fax: +91 124 4293333

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**NIIT Malaysia Sdn Bhd**  
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DID: +603 2050 1955  
Tel: +603 2050 1888  
Fax: +603 2031 8618

**NIIT (USA) Inc Singapore Branch**  
1, North Bridge Road # 19 04-05  
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Fax: +65 63382844

## AFRICA

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1 CyberCity,  
Ebene, Mauritius  
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Fax: +230 403 6060

**South Africa**  
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**Nigeria**  
**NIIT West Africa Ltd.**  
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Off Obafemi Awolowo Way  
Ikeja, Lagos  
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Phone: +234 701 7099077

## AUSTRALIA

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# NIIT

**STA**  
**ROUTE**

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**ifbi**  
Institute of Financial Banking & Insurance

**NIIT**  
**UNIQUEA**  
UNIVERSITY OF NURSING & ALLIED HEALTH SCIENCES

**NIIT**  
**nguru**  
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**NIIT**  
**IMPERIA**  
CENTRE FOR ADVANCED LEARNING

**Yuva**  
**NIIT**  
**jyoti**  
skills for jobs

**NIIT**  
**CognitiveArts**

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