

**GHOSH KHANNA & CO.**  
**CHARTERED ACCOUNTANTS**

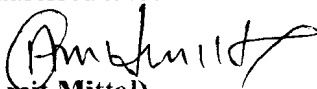
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**TO WHOMSOEVER IT MAY CONCERN**

This is to certify that the figures in foreign currency in the annual report of **PCEC NIIT Institute of Information Technology** for the financial year ended on 31<sup>st</sup> March, 2010, audited by Shanghai Jialiang CPAs Co. Limited, Suit No.1503/1504 Nanjing Road West Shanghai, China 200041, People's Republic of China, have been converted into INR equivalents as per Indian GAAP on the following basis:

S. No.	Particulars	Exchange Rate
1.	Share Capital	Exchange rate at the date of allotment of Shares
2.	Reserves & Surplus	Opening Balance: from previous year's INR Balance Sheet Closing balance: being arrived at by adding the profit / (loss) for the year from the INR Profit and Loss Account
3.	Investment in Subsidiary (s)	Exchange rate at the date of Investment in subsidiary (s)
4.	Other Balance Sheet Items	Exchange Rate as on 31 <sup>st</sup> March 2010 i.e. CNY 1 = INR 6.5879
5.	Item falling under Profit and Loss Account	Exchange Rate at the date of transaction

For Ghosh Khanna & Co.  
Chartered Accountants

  
(Amit Mittal)  
Partner  
Membership No.508748

Place: New Delhi  
Date: 6<sup>th</sup> May 2010

**Encls:**

Annexure - A (Audited Balance Sheet)  
Annexure - B (Converted Balance Sheet)



**Branches:**

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**PCEC NIIT Institute of Information Technology**

**Balance Sheet as at 31st March 2010**

	<b>Schedule No. / (Note Reference)</b>	<b>As at 31st March 2010 INR</b>	<b>As at 31st March 2009 INR</b>
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	33,144,622	33,144,622
		<u>33,144,622</u>	<u>33,144,622</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	4	-	27,974,711
Less: Depreciation		<u>-</u>	<u>17,554,145</u>
Net Block		-	10,420,566
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	5	-	11,910
Sundry Debtors	6	-	27,941,295
Cash and Bank Balances	7	3,710	142,747
Loans & Advances	8	<u>-</u>	<u>2,933,331</u>
		<u>3,710</u>	<u>31,029,283</u>
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	9	-	40,756,463
Provisions	10	<u>-</u>	<u>152,233</u>
		<u>-</u>	<u>40,908,696</u>
<b>Net Current Assets</b>		3,710	(9,879,413)
<b>Profit &amp; Loss Account</b>	2	32,809,889	32,342,538
<b>Currency Translation Reserve</b>	3	331,023	260,931
		<u>33,144,622</u>	<u>33,144,622</u>

NOTES TO ACCOUNTS

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The Schedules referred to above form an integral part of the Balance Sheet.

NOTE : BALANCE SHEET has been converted at the closing rate as at 31 MARCH  
2010 being : CNY 1 = INR 6.5879 (Previous year CNY 1 = INR 7.4435)

**PCEC NIIT Institute of Information Technology**

**Profit and Loss Account for the period ended 31st March 2010**

	<b>Schedule No. / (Note Reference)</b>	<b>Year Ended 31st March 2010 INR</b>	<b>Year Ended 31st March 2009 INR</b>
<b>INCOME</b>			
Revenue from Operations	11	27,817,514	30,982,044
Other Income	12	169,813	52,093
		<b>27,987,327</b>	<b>31,034,137</b>
<b>EXPENDITURE</b>			
Personnel	13	7,223,158	11,615,129
Development, Production and Execution	14	6,016,812	2,752,268
Administration and Others	15	10,250,782	15,678,113
Selling and Marketing	16	3,435,652	3,454,160
Interest and Finance Charges	17	244	31,285
Depreciation and Amortisation	4	1,528,030	2,275,660
		<b>28,454,678</b>	<b>35,806,615</b>
Profit before Tax and share of Associates' profits		<b>(467,351)</b>	<b>(4,772,478)</b>
<b>Tax Expense</b>			
- Current		-	-
- Deferred charge / (credit)		-	-
- Fringe Benefits Tax		-	-
- MAT Credit Entitlement		-	-
<b>Profit after Tax before</b>		<b>(467,351)</b>	<b>(4,772,478)</b>

NOTES TO ACCOUNTS

The Schedules referred to above form an integral part of the Profit and Loss Account.

NOTE : PROFIT & LOSS ACCOUNT has been converted using the conversion rate of exchange at the date of transaction.

**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Balance Sheet  
as at 31st March 2010**

<b>Schedule No.</b>		<b>As At 31st March 2010 INR</b>	<b>As At 31st March 2009 INR</b>
<b>1 SHARE CAPITAL</b>			
<b>Paid-up</b>			
680000 Shares of USD 1 each (RMB equivalent 5620876 Shares of RMB 1 each )		33,144,622	33,144,622
		<u>33,144,622</u>	<u>33,144,622</u>
<b>2 PROFIT &amp; LOSS ACCOUNT</b>			
As per Last Balance Sheet	(32,342,538)		(27,570,060)
Add : Transferred from Profit and Loss account	<u>(467,351)</u>	(32,809,889)	<u>(4,772,478)</u>
		<u>(32,809,889)</u>	<u>(32,342,538)</u>
<b>3 CURRENCY TRANSLATION RESERVE</b>			
As per Last Balance Sheet		(260,931)	(305,610)
Increase / (Decrease) during the year on translation of balances		<u>(70,092)</u>	<u>44,679</u>
		<u>(331,023)</u>	<u>(260,931)</u>



**PCEC NIIT Institute of Information Technology**  
Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2010 (Contd.)

**Fixed Assets**

Figures in INR

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION					NET BLOCK		
	Cost as on 01.04.2009	Additions during the Year	Sales / Adj. during the Year	Translation Adjustment	Total as on 31.03.2010	As on 01.04.2009	Charge For the Year	Sales / Adj. during the Year	Translation Adjustment	Total as on 31.03.2010	As on 31.03.2010	As on 31.03.2009
<u>Tangible</u>												
Plant & Machinery												
Owned	19,532,657	-	19,532,657	-	-	13,266,578	893,656	14,160,234	-	-	-	6,266,079
Leased		-			-		-			-	-	
Lease Hold Improvements		-			-		-			-	-	
Furniture & Fixtures												
Owned	8,442,054	132,391	8,574,445	-	-	4,287,567	634,374	4,921,941	-	-	-	4,154,487
Leased	-	-	-		-	-	-	-		-	-	
Vehicles	-	-	-		-	-	-	-		-	-	
Sub Total (a)	27,974,711	132,391	28,107,102	-	-	17,554,145	1,528,030	19,082,175	-	-	-	10,420,566
<u>Intangible (Educational Content/ Products)</u>												
Sub Total (b)	-	-	-		-	-	-	-		-	-	
Total (a +b)	27,974,711	132,391	28,107,102		-	17,554,145	1,528,030	19,082,175			-	10,420,566

**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Balance Sheet  
as at 31st March 2010**

<b>Schedule No.</b>	<b>As At 31st March 2010 INR</b>	<b>As At 31st March 2009 INR</b>
<b>5 INVENTORIES</b>		
-Software	-	11,910
	<u>-</u>	<u>11,910</u>
<b>6 SUNDRY DEBTORS</b>		
<b>[Unsecured]</b>		
Outstanding over six months :		
- Considered good	-	27,941,295
- Considered doubtful	-	518,897
Other debts :		
- Considered good	-	-
- Considered doubtful	-	-
Gross	<u>-</u>	<u>28,460,192</u>
Less : Provision for Doubtful Debts	-	518,897
	<u>-</u>	<u>27,941,295</u>





**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Balance Sheet  
as at 31st March 2010**

	As At 31st March 2010 INR		As At 31st March 2009 INR	
<b>7 CASH AND BANK BALANCES</b>				
Cash and Cheques in Hand		3,710		142,747
		<u>3,710</u>		<u>142,747</u>
<b>8 LOANS &amp; ADVANCES</b>				
<b>(Unsecured, considered good except where otherwise stated)</b>				
Advances recoverable in cash or in kind or for value to be received				-
- Considered Good	-	267,964		
- Considered Doubtful	<u>-</u>	<u>-</u>		-
	-	267,964		
Less : Provision for Doubtful Advances	<u>-</u>	<u>-</u>		267,964
Security Deposits				
-Considered Good	-	2,665,367		
-Considered Doubtful	<u>-</u>	<u>-</u>		
	-			
Less : Provision for Doubtful Security Deposits	<u>-</u>	<u>-</u>		2,665,367
		<u>-</u>		<u>2,933,331</u>

**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Balance Sheet  
as at 31st March 2010**

<b>Schedule No.</b>	<b>As At 31st March 2010 INR</b>	<b>As At 31st March 2009 INR</b>
<b>9 CURRENT LIABILITIES</b>		
Sundry Creditors	-	34,067,889
Advances from Customers	-	6,415,800
Other Liabilities	-	272,774
	<u>-</u>	<u>40,756,463</u>
<b>10 PROVISIONS</b>		
Provision for Compensated Absences	-	152,233
	<u>-</u>	<u>152,233</u>

**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Profit and Loss Account  
Year Ended 31st March 2010**

<b>Schedule No.</b>	<b>31st March 2010 INR</b>	<b>31st March 2009 INR</b>
<b>11 REVENUE FROM OPERATIONS</b>		
Learning Solutions Business	27,817,514	30,982,044
	<u>27,817,514</u>	<u>30,982,044</u>

**PCEC NIIT Institute of Information Technology**

**Schedules annexed to and forming part of the Profit and Loss Account  
Year Ended 31st March 2010**

<b>Schedule No.</b>		<b>31st March 2010 INR</b>	<b>31st March 2009 INR</b>
<b>12 OTHER INCOME</b>			
Miscellaneous (Other Non Operating Income)		169,813	52,093
		<u>169,813</u>	<u>52,093</u>
<b>13 PERSONNEL</b>			
Salaries and Benefits		5,332,089	11,192,205
Contribution to retirement benefit funds		1,670,957	264,302
			-
Welfare and other expenses		220,112	158,622
		<u>7,223,158</u>	<u>11,615,129</u>
<b>14 DEVELOPMENT, PRODUCTION AND EXECUTION</b>			
Courseware and Manuals		2,457,788	317,195
Bought out Packages/Products		780,430	871,450
Professional Charges		2,186,204	120,084
Royalties		592,390	1,443,539
		<u>6,016,812</u>	<u>2,752,268</u>
<b>15 ADMINISTRATION AND OTHERS</b>			
Rent (net of recoveries)		6,223,205	12,093,422
Rates and Taxes		232,340	-
Electricity and Water		448,986	598,992
Communication		347,683	612,350
Legal and Professional		742,569	287,150
Traveling and Conveyance		100,748	230,129
Bad debts and provision for doubtful debts	429,824		(1)
Less: Provision for doubtful debts written back	<u>-</u>	<u>429,824</u>	<u>-</u>
			(1)
Repairs and Maintenance			-
- Others	<u>195,366</u>	<u>195,366</u>	<u>560,144</u>
Loss on Sale of Fixed Assets (Net)		1,481,967	-
Sundry Expenses		48,094	1,295,927
		<u>10,250,782</u>	<u>15,678,113</u>
<b>16 SELLING &amp; MARKETING</b>			
Advertisement and Publicity		369,903	826,234
Others		3,065,749	2,627,926
		<u>3,435,652</u>	<u>3,454,160</u>
<b>17 INTEREST AND FINANCE CHARGES</b>			
Bank, Discounting and Other Financial Charges		244	31,285
		<u>244</u>	<u>31,285</u>

## **PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

#### **Schedule 18**

##### **1. General information**

PCEC NIIT Institute of Information Technology ("the Institute") was established on June 1997 in Shanghai by the cooperation of NIIT GC Limited and Pudong Continuing Education Centre of Shanghai Higher Education ("PCEC"), a PRC educational institute. The Institute was operated as an academy branch under PCEC. The paid in capital of the Institute is USD 680,000. The Institute's approved and actual scope of business operations includes providing professional information technology ("IT") training and services.

The cooperation period of the Institute is 10 years and the Institute was supposed to terminate in 2007. The Institute filed application to continue the operation and got permit from the competent authority that the cooperative agreement between the Sino-foreign parties was extended automatically before any restrictions issued by related authorities.

During the year NIIT GC Limited passed a resolution to liquidate PCEC NIIT Institute of Information Technology ("PCEC Institute") on 15th October 2009. PCEC Institute ceased operation in November 2009. Assets and liability of PECE Institute was transferred into Imperia Jing'an Center in December 2009 at book value. Subsequent to the year end the Company has received letter for legal and tax de-registration. PCEC Institute has recognized a loss of Rs. 467,351/-during the current year.

##### **2. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

###### **2.1 Basis of preparation**

The Local Currency financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Institute's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

**However, the INR financial statements have been converted into INR equivalents on the basis of principles stated in the "Certificate" annexed hereto with the Company's financials.**

## **PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

#### **2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on cost by the straight-line method at annual rates which commensurate with the Group accounting policy.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.3).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains - net, in the income statement.

#### **2.3 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortization and are tested periodically for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount IS the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered on impairment are reviewed for possible reversal of the impairment at each reporting date.

#### **2.4 Inventories**

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expense.

#### **2.5 Financial instruments**

Financial assets and financial liabilities carried on the balance sheet include cash and bank balances, trade and other receivables and trade and other payables.

#### **2.6 Trade and other receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Institute will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability

## **PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the expenditures in the income statement.

#### **2.7 Cash and cash equivalents**

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

#### **2.8 Employee benefits**

The Institute participates in a mandatory government employee social security plans, including pension, medical, housing and other welfare benefits, arranged by the government authorities in accordance with relevant regulations. According to the relevant regulations, the premium and welfare benefit contributions are remitted to the social welfare authorities and are calculated based on percentages of the total salary of employees, subject to a certain ceiling. Contributions to the plans are charged to the income statement.

Under the plans, retirement benefits of existing and retired employees are guaranteed by the local authorities and the Institute has no further obligation beyond the monthly contributions.

#### **2.9 Provisions**

Provisions are recognized when the Institute has a present obligation or constructive obligation as a result of past transactions or events, it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

#### **2.10 Revenue recognition**

Revenue comprises the receivable for the provision of services in the ordinary course of the Institute's activities. Revenue is shown net of value-added tax, returns,

## **PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

rebates and discounts and after eliminating sales within the Institute. The Institute's services are recognized as revenue when the services are provided.

Interest income is recognized on a time-proportion basis using the effective interest method.

#### **2.12 Operating leases**

Operating leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the lease periods.

### **3. Financial Risk Management**

#### **3.1 Foreign Risk Factors**

The Institute's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow and fair value interest rate risk.

Risk management is carried out by finance department under policies approved by the Board of Directors.

##### **a) Foreign exchange risk**

The Institute operates domestically and is not significantly exposed to foreign exchange risk arising from any currency exposures. Accordingly, the Institute has not used any forward contracts or currency borrowings to hedge its exposure to foreign currency risk.

##### **b) Credit risk**

The Institute has no significant concentrations of credit risk. It has policies in place to ensure that technical services are rendered to customers with an appropriate credit history. The Institute has policies that limit the amount of credit exposure to any financial institution.

##### **c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents together with adequate banking facilities.

##### **d) Cash flow and fair value interest rate risk**

As the Institute has no significant interest-bearing assets and liabilities, the Institute's income and operating cash flows are substantially independent of changes in market interest rates.

#### **3.2 Fair Value estimation**



## PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

The carrying amounts of the following financial assets and financial liabilities approximate their fair value due to their short maturities: cash and cash equivalents, trade and other receivables, trade and others payables.

#### 3. Critical Accounting Estimates

The Institute makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definitions, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### Impairment of receivables

The Institute's management determines the provision for impairment of trade and other receivables. This estimate is based on the credit history of its customers and the current market condition. Management reassesses the provision on each of the balance sheet date.

#### 4. Taxation

##### (a) Business Tax

Revenue derived from technical services provided by the Institute is subject to business tax at 3% of gross service income.

##### (b) Enterprise Income Tax ("EIT")

The Institute was operated as an academy branch under Pudong Continuing Education Center of Shanghai Higher Education, which is a non-profit making education entity, there is no applicable enterprise income tax.

##### (c) Other taxes

Other taxes are provided in accordance with the prevailing PRC tax regulations.

#### 5. Paid-in capital

	31-Mar-10			31-Mar-09		
	Amount	Amount	%	Amount	Amount	%
	(RMB)	(INR)		(RMB)	(INR)	
NIIT GC Limited	5,620,876	33,144,622	100%	5,620,876	33,144,622	100%

The paid-in capital is USD 680,000 (RMB equivalent: 5,620,876, INR equivalent 33,144,622) in total. Included in the paid up capital, USD 500,000 was verified by local CPA firm. The rest USD 180,000 has not yet been verified.

# PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### 6. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

#### (a) Names of related companies and nature of relationship:

Name	Nature of relationship
NIIT GC Limited	Parent company
Pudong Continuing Education Centre of Shanghai higher education ("PCEC")	Chinese cooperator
NIIT China (Shanghai) Limited	Controlled by the same ultimate parent company
Chongqing NIIT Education Consulting Limited	Controlled by NIIT China (Shanghai) Ltd.

#### (b) Significant related party transactions and balances

##### (1) Pricing Policy

The Group's pricing policies on receiving or providing services are determined by internal negotiation with reference to market situation.

##### (2) Significant transactions with related parties:

	March to April			
	2010		2009	
	RMB	INR	RMB	INR
-Service income from Chongqing NIIT Education Consulting Limited	-	-	189,401	1,225,955
- Service Income from NIIT China (Shanghai) Limited	85,000	587,772	34,169	221,169
- Royalty fee to PCEC	79,347	548,682	211,753	1,370,635
-Collection on behalf of the institute received by NIIT China (Shanghai) Limited	3,273,488	22,636,060	3,290,540	21,299,007
-Payment on behalf of the institute made by NIIT China (Shanghai) Limited	3,002,464	20,761,938	2,009,642	13,008,011

**PCEC NIIT INSTITUTE OF INFORMATION TECHNOLOGY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2010**

(3) Significant balances with related parties:

	<b>April to March</b>			
	<b>2010</b>		<b>2009</b>	
<b>Trade and other receivables</b>	<b>RMB</b>	<b>INR</b>	<b>RMB</b>	<b>INR</b>
- NIIT China (Shanghai) Limited	-	-	3,359,209	25,004,104
- Chongqing NIIT Education Consulting Limited	-	-	189,401	1,409,794
			<b>3,548,610</b>	<b>26,413,898</b>
<b>Trade and other payables</b>				
- NIIT China (Shanghai) Limited	-	-	4,406,386	32,798,714
- PCEC	-	-	51,693	384,778
	-	-	<b>4,458,079</b>	<b>33,183,492</b>

**7. Commitments**

Operating lease commitments

As at March 31, 2010, PCEC Institute stopped operation and transferred the assets and liabilities as well as its business to a third party training center (refer to note1). All the contractual rights and obligations under leasing agreements were transferred accordingly.

	<b>As at 31 March</b>			
	<b>2010</b>		<b>2009</b>	
	<b>RMB</b>	<b>RMB</b>	<b>RMB</b>	<b>INR</b>
Less than 1 year	-	-	1,353,340	11,532,202
Between 1 and 2 years	-	-	676,670	7,764,555
	-	-	<b>2,030,010</b>	<b>19,296,757</b>