

Changzhou NIIT Information Technology Consulting Limited

Balance Sheet as at 31st March 2012

| | PARTICULARS | Notes | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
|-----------|--------------------------------|-----------|---------------------------------|---------------------------------|
| I | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | Share capital | 3 | 3,434,150 | 3,434,150 |
| | Reserves and surplus | 4 | (6,987,439) | (1,407,483) |
| 2 | Non-current liabilities | | | |
| | Long-term provisions | 7 | 171,553 | 145,839 |
| 3 | Current liabilities | | | |
| | Trade Payables | 5 | 3,585,987 | 1,214,027 |
| | Other current liabilities | 6 | 789,906 | 54,794 |
| | Short-term provisions | 7 | - | 88,202 |
| | TOTAL | | 994,157 | 3,529,529 |
| | | | | |
| II | ASSETS | | | |
| 1 | Non-current assets | | | |
| | Fixed assets | 8 | | |
| | Tangible assets | | 35,568 | - |
| | Deferred tax assets (net) | | 88,652 | 219,556 |
| | Long-term loans and advances | 9 | - | 5,414 |
| 2 | Current assets | | | |
| | Cash and bank balances | 11 | 844,910 | 2,614,410 |
| | Short-term loans and advances | 9 | 25,027 | 221,184 |
| | Trade receivables | 10 | - | 468,965 |
| | TOTAL | | 994,157 | 3,529,529 |
| | | | | |

The accompanying notes referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

NOTE: BALANCE SHEET has been converted at the closing rate as at 31 MARCH 2012 being : CNY 1 = INR 8.0784 (Previous Year CNY 1 = INR 6.7848)

Changzhou NIIT Information Technology Consulting Limited

Statement of Profit & Loss for the year ended 31st March 2012

| | PARTICULARS | Notes | Year ended 31st March 2012 Rs. | Year ended 31st March 2011 Rs. |
|------|---|-------|--------------------------------------|--------------------------------------|
| | INCOME | | | |
| I. | Revenue from Operations | 12 | 11,936,778 | 9,007,886 |
| II. | Other Income | 13 | 785,544 | - |
| III. | Total Revenue (I + II) | | 12,722,322 | 9,007,886 |
| IV. | EXPENDITURE | | | |
| | Purchase of Traded Goods | | 979,852 | 728,550 |
| | Professional & Technical Outsourcing Expenses for Execution | | 27,907 | - |
| | Employee Benefits Expense | 14 | 10,978,939 | 5,815,437 |
| | Other Expenses | 15 | 5,996,778 | 3,237,891 |
| | Depreciation and Amortization Expenses | 8 | 5,233 | - |
| | Total Expenses | | 17,988,709 | 9,781,878 |
| V. | Profit before exceptional and extraordinary items and tax (III-IV) | | (5,266,387) | (773,992) |
| VI. | Profit before extraordinary items and tax (V - VI) | | (5,266,387) | (773,992) |
| VII. | Profit before tax (VII- VIII) | | (5,266,387) | (773,992) |
| VIII | Tax expense: | 16 | | |
| | (1) Current tax | | (1,379) | (74,647) |
| | (2) Deferred tax | | 166,477 | - |
| IX | Profit (Loss) for the period | | (5,431,485) | (699,345) |
| X | Earnings per equity share (Face Value Rs. __ each): | | | |
| | (1) Basic | | | |
| | (2) Diluted | | | |

The accompanying notes referred to above form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date

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

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| 3 | SHARE CAPITAL | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
|---|---------------------------|---------------------------------|---------------------------------|
| | Issued | 3,434,150 | 3,434,150 |
| | | 3,434,150 | 3,434,150 |
| | Subscribed and fully paid | 3,434,150 | 3,434,150 |
| | | 3,434,150 | 3,434,150 |
| | | | |

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| 4 | RESERVES AND SURPLUS | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
|---|--|---|---|
| | Profit & Loss Account Balance Brought Forward from Previous year Add : Current Year Profit / (Loss) attributable to Share Holders Less:- Share in Corporate Dividend Tax of Associates | (1,389,323) (5,431,485) - (6,820,808) | (689,978) (699,345) - (1,389,323) |
| | Currency translation reserve As per Last Balance Sheet Increase/ (Decrease) during the year on translation of balances | (18,160) (148,471) (166,631) | (118,056) 99,896 99,896 |
| | | (6,987,439) | (1,407,483) |

- Notes :
- 1 General Reserve above represents General Reserve as per the Indian Companies Act, 1956 in respect of Indian Companies.
 - 2 General Reserve, if any , of overseas Companies are included as part of the Profit & Loss Account balance as it is not practical to give movement thereof.

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| 5 | Trade Payables | Non Current | | Current | |
|---|-----------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| | - Due to Others | - | - | 3,585,987 | 1,214,027 |
| | | - | - | 3,585,987 | 1,214,027 |
| | | | | | |

| 6 | OTHER LIABILITIES | Long Term Liabilities | | Current Liabilities | |
|---|----------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| | Payable to Employees | - | | 716,202 | - |
| | Statutory Dues | - | - | 73,704 | 54,794 |
| | Other Payables | - | - | - | - |
| | | - | - | 789,906 | 54,794 |
| | | | | | |

| 7 | Provisions | LONG-TERM | | SHORT-TERM | |
|---|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| | Provision for employee benefits : Provision for Compensated Absences | - | - | - | 88,202 |
| | Others : Provision for Tax | 171,553 | 145,839 | | |
| | | 171,553 | 145,839 | - | 88,202 |

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8 Fixed Assets

(Amount in Rs.)

[illegible]

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| 9 | LOANS AND ADVANCES | Long Term | | Short Term | |
|----|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| i) | Security Deposits Receivable (refer note below) Unsecured, considered good | - | 5,414 | 4,831 | - |
| | | (A) - | 5,414 | 4,831 | - |
| | Advances recoverable in cash or in kind (refer note below) Unsecured, considered good | - | - | 20,196 | 221,184 |
| | | (B) - | - | 20,196 | 221,184 |
| | | | | | |
| | | Total (A+B) - | 5,414 | 25,027 | 221,184 |

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| 10 | Trade Receivables | Non Current | | Current | |
|----|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| a) | Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good | | | | |
| | | - | - | (105,641) | 468,965 |
| | | - | - | -105,641 | 468,965 |
| | b) Other Trade Receivables Unsecured, considered good | | | | |
| | | - | - | 105,641 | - |
| | | - | - | 105,641 | - |
| | | - | - | - | 468,965 |
| | | | | | |

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| 11 | Cash and Bank Balances | Non Current | | Current | |
|----|----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. | As at 31st March 2012 Rs. | As at 31st March 2011 Rs. |
| | Cash and cash equivalents: | | | | |
| | Balance with banks | | | | |
| | Current Accounts | | | 495,109 | 2,579,408 |
| | Cash on hand | | | 349,801 | 35,002 |
| | | | | 844,910 | 2,614,410 |

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| 12 | Revenue from Operations | Year ended 31st March 2012 Rs. | Year ended 31st March 2011 Rs. |
|-----------|--------------------------------|---|---|
| | Sale of Services | 11,936,778 | 9,007,886 |
| | | 11,936,778 | 9,007,886 |
| | | | |

| 13 | Other Income | Year ended 31st March 2012 Rs. | Year ended 31st March 2011 Rs. |
|-----------|--|---|---|
| | Other non-operating income (net of expenses) | 785,544 | - |
| | | 785,544 | - |
| | | | |

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| 14 | Employee Benefits Expenses | Year ended 31st March 2012 Rs. | Year ended 31st March 2011 Rs. |
|-----------|---|---|---|
| | Salaries and Benefits | 9,362,771 | 5,269,119 |
| | Contribution to Provident and Other Funds | 1,025,529 | 446,189 |
| | Welfare and Other expenses | 590,639 | 100,129 |
| | | 10,978,939 | 5,815,437 |
| | | | |

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| 15 | Other Expenses | Year ended 31st March 2012 Rs. | Year ended 31st March 2011 Rs. |
|----|----------------------------------|--------------------------------------|--------------------------------------|
| | Rent (net of recoveries) | 535,147 | 115,748 |
| | Rates and Taxes | 197,073 | 58,355 |
| | Power & Fuel | 412,627 | 581,999 |
| | Communication | 399,229 | 97,557 |
| | Legal and Professional | 342,043 | 70,182 |
| | Traveling and Conveyance | 1,791,038 | 619,146 |
| | Repairs and Maintenance | | |
| | - Others | 70,457 | 73,050 |
| | Bank Charges | 23,428 | 19,530 |
| | Marketing & Advertising Expenses | 2,067,983 | 1,545,521 |
| | Sundry Expenses | 157,753 | 56,803 |
| | | 5,996,778 | 3,237,891 |
| | | | |