

NIIT (MALAYSIA) SDN. BHD.
Company No. : 418148-D
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST MARCH 2015

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST MARCH 2015

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NIIT (MALAYSIA) SDN. BHD. (418148-D)
(Incorporated in Malaysia)

CORPORATE INFORMATION

COUNTRY OF INCORPORATION : MALAYSIA

LEGAL FORM : COMPANY LIMITED BY SHARES INCORPORATED
UNDER THE COMPANIES ACT, 1965

ULTIMATE HOLDING COMPANY : NIIT LIMITED

IMMEDIATE HOLDING COMPANY : NIIT ANTILLES N.V.

BOARD OF DIRECTORS : SAPNESH KUMAR LALLA
: PRAKASH MENON
: ROHIT KUMAR GUPTA
: CHANG HONG YUN
: DR. CHONG TIN CHUAI

SECRETARIES : TAY BENG CHAI
(BC NO. T296)
: TAN EE LING
(MAICSA 7027691)

REGISTERED OFFICE : 6th Floor, Plaza See Hoy Chan,
Jalan Raja Chulan,
50200 Kuala Lumpur,
Wilayah Persekutuan.

NO. OF EMPLOYEES : 1
AS AT 31.3.2015

AUDITORS : TAN PENG SAM & CO. (AF0600)
Chartered Accountants
No. 19A, Jalan Thamby Abdullah Satu,
Brickfields,
50470 Kuala Lumpur,
Wilayah Persekutuan.

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

REPORT OF THE DIRECTORS

The Directors take pleasure in submitting their Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2015.

1. PRINCIPAL ACTIVITIES

During the financial year, the Company commenced operation with respect to provision of management services in education and training. There have been no other changes in the nature of its other activities.

2. HOLDING COMPANIES

The Company is a wholly owned subsidiary company of NIIT ANTILLES N.V., a corporation incorporated in the Netherlands Antilles. The ultimate holding company is NIIT LIMITED., a corporation incorporated in India.

3. FINANCIAL RESULTS

- (a) Profit for the financial year amounted to RM295,355.
- (b) During the financial year, the Company had realised gain in foreign exchange amounted to RM229,791. Except for the foregoing, in the opinion of the Directors, the results of the Company's operations during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

4. DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year.

5. RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

6. ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

7. DIRECTORS

- (a) The Directors in office since the date of the last Report are :-

PARAPPIL RAJENDRAN	(Resigned on 15.05.2015)
VIJAY K. THADANI	(Resigned on 15.05.2015)
RAJENDRA S. PAWAR	(Resigned on 15.05.2015)
SAPNESH KUMAR LALLA	(Appointed on 15.05.2015)
ROHIT KUMAR GUPTA	(Appointed on 15.05.2015)
PRAKASH MENON	(Appointed on 15.05.2015)
CHANG HONG YUN	
DR. CHONG TIN CHUAI	(Appointed on 01.03.2015)
LOKE KEE HOONG	(Resigned on 28.02.2015)

- (b) Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangements, to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.
- (c) Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with a Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

8. OTHER STATUTORY INFORMATION

- (a) Before the Financial Statements were made out, the Directors had taken reasonable steps :-
- (i) to ascertain that proper actions had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and to satisfy themselves that there were no known bad debts and that adequate allowance for doubtful debts has been made; and
 - (ii) to ensure that any current assets which were unlikely to realise their book value in the ordinary course of business were written down to an amount which they might be expected so to realise.
- (b) At the date of this Report, the Directors are not aware of any circumstances which would render :-
- (i) it necessary to write off bad debts or the allowance for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the Financial Statements misleading.
- (c) At the date of this Report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (d) As at the date of this Report, there are no charges on the assets of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

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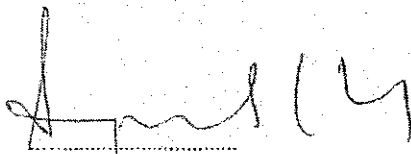
8. OTHER STATUTORY INFORMATION (CONT'D)


- (e) (i) As at the date of this Report, there are no contingent liabilities which have arisen since the end of the financial year.
- (ii) No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company to meet its obligations as and when they fall due.
- (f) At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in the Report or the Financial Statements which would render any amount stated in the Financial Statements misleading.
- (g) In the opinion of the Directors, the results of the financial year in which this Report is made are not likely to be substantially affected by any item, transaction or event which has arisen in the interval between the end of the financial year and the date of this Report.

9. RE-APPOINTMENT OF AUDITORS

Tan Peng Sam & Co. has merged with Christopher Heng & Co. to a larger entity called Christopher Heng & Peng Sam.

Signed in accordance with a resolution of the Directors.


SAPNESH KUMAR LALLA
(Director)


ROHIT KUMAR GUPTA
(Director)

Dated : 22 MAY 2015
Kuala Lumpur.

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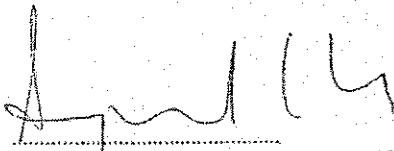
NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, SAPNESH KUMAR LALLA and ROHIT KUMAR GUPTA, being two of the Directors of NIIT (MALAYSIA) SDN. BHD., do hereby state that in the opinion of the Directors, the accompanying financial statements set out in Pages 8 to 16 are drawn up in accordance with Private Entity Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31st March 2015 and of the results and cash flow for the year then ended.

Signed in accordance with a resolution of the Directors,


SAPNESH KUMAR LALLA


ROHIT KUMAR GUPTA

Dated : 22 MAY 2015
Kuala Lumpur.

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

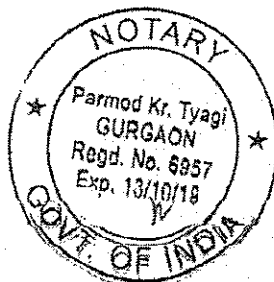
I, ROHIT KUMAR GUPTA, the Director primarily responsible for the accounting records and financial management of NIIT (MALAYSIA) SDN. BHD., do solemnly and sincerely declare that the Financial Statements set out in Pages 8 to 16 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Notaries Act 1952.

Subscribed and solemnly declared by the
abovenamed ROHIT KUMAR GUPTA


in
on 22 MAY 2015


ROHIT KUMAR GUPTA

Before me,



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ATTESTED

PARMOD KUMAR TYAGI
Advocate & Notary Public
Gurgaon, Haryana (India)

22 MAY 2015

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD. (418148-D)
(Incorporated in Malaysia)**

Report on the Financial Statements

We have audited the financial statements of NIIT (MALAYSIA) SDN. BHD., which comprise the balance sheet as at 31st March 2015, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out in Pages 8 to 16.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements which shall give a true and fair view in accordance with Private Entity Reporting Standards in Malaysia and the Companies Act, 1965, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Private Entity Reporting Standards in Malaysia and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Company as at 31st March 2015 and of its financial performance and cash flows for the year then ended.

COMPANY NO. : 418148-D

Report on Other Legal and Regulatory Requirements

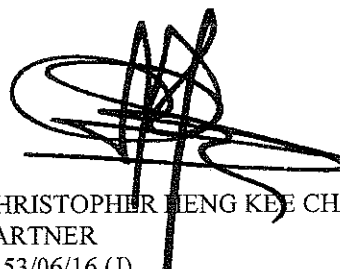
In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.



TAN PENG SAM & CO.
CHARTERED ACCOUNTANTS
AF 0600



CHRISTOPHER MENG KEE CHAI
PARTNER
1453/06/16 (J)

Dated : 25 MAY 2015
Kuala Lumpur

COMPANY NO. : 418148-D

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

BALANCE SHEET AS AT 31ST MARCH 2015

	NOTES	2015 RM	2014 RM
CURRENT ASSETS			
Trade receivables	4	69,197	285,346
Non-trade receivables		9,323	7,626
Amount owing by immediate holding company	5	-	2,059,514
Cash at bank		3,117,880	107,337
		<u>3,196,400</u>	<u>2,459,823</u>
CURRENT LIABILITIES			
Trade payables		481,430	42,721
Non-trade payables and accrual		30,553	28,040
		<u>511,983</u>	<u>70,761</u>
NET CURRENT ASSETS		<u>2,684,417</u>	<u>2,389,062</u>
FINANCED BY :-			
SHARE CAPITAL	6	5,541,000	5,541,000
ACCUMULATED LOSSES		(2,856,583)	(3,151,938)
		<u>2,684,417</u>	<u>2,389,062</u>

The notes on pages 12 to 16 form an integral part of the financial statements.

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NIIT (MALAYSIA) SDN. BHD.
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**INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2015**

	2015	2014
	RM	RM
REVENUE	1,041,856	-
COST OF SALES	(1,014,642)	-
GROSS PROFITS	27,214	-
OTHER INCOME	325,340	200,996
ADMINISTRATION EXPENSES	(57,199)	(25,708)
PROFITS FOR THE YEAR	295,355	175,288
PROFIT FOR THE YEAR IS ARRIVED AT AFTER CHARGING :-		
Auditors' remuneration	7,000	5,150
Unrealised loss on foreign exchange	5,226	-
AND CREDITING :-		
Unrealised gain in foreign exchange	-	104,657
Realised gain on foreign exchange	229,791	-
Interest charged to holding company	95,549	96,339

The notes on pages 12 to 16 form an integral part of the financial statements.

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NIIT (MALAYSIA) SDN. BHD.
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2015**

	2015	2014
	RM	RM
SHARE CAPITAL		
At the beginning and end of the year	5,541,000	5,541,000
ACCUMULATED LOSS		
At the beginning of the year	(3,151,938)	(3,327,226)
Profits for the financial year	295,355	175,288
At the end of the year	(2,856,583)	(3,151,938)
SURPLUS IN SHAREHOLDERS' EQUITY AT THE END OF THE YEAR	2,684,417	2,389,062

The notes on pages 12 to 16 form an integral part of the financial statements.

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NIIT (MALAYSIA) SDN. BHD.
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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2015**

	2015		2014
	RM	RM	RM
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation	295,355		175,288
Adjustment for :			
Allowances for doubtful debts	-		-
Interest income	(95,549)		(96,339)
Unrealised gain on foreign exchange	-		(104,657)
Unrealised loss on foreign exchange	5,226		-
Operating loss before working capital changes	205,032		(25,708)
(Increase)/decrease in receivables	215,750		(279,282)
Increase in payables	434,698		46,761
(Increase)/decrease in amount owing by immediate holding company	2,059,514		(16,739)
Net cash generated from/(used in) operating activities		2,914,994	(274,968)
CASH FLOW FROM INVESTING ACTIVITIES			
Interest income from holding company		95,549	96,339
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		3,010,543	(178,629)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		107,337	285,966
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		3,117,880	107,337

The notes on pages 12 to 16 form an integral part of the financial statements.

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NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

1. PRINCIPAL ACTIVITIES

During the financial year, the Company commenced operation with respect to provision of management services in education and training. There have been no other changes in the nature of its other activities.

2. DATE OF AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Board of Directors on 22nd May 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Company expressed in Ringgit Malaysia, have been prepared under the historical cost convention comply with the MASB Approved Accounting Standards in Malaysia for Private Entities and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the provisions of the Companies Act 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

(b) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs to sell and value in use. For the purposes of assessing impairment assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units).

The impairment loss is charged to the income statement.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Impairment of Assets (Cont'd)

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Receivables

Receivables are carried at anticipated realisable values. Known bad debts are written off and specific allowance is made against accounts which are doubtful of collection.

(d) Payables

Payables are stated at cost which is the fair value of the consideration for goods and services received.

(e) Income Tax

Income tax for the year comprises current year income tax and deferred tax. Current year income tax is the expected amount of income tax payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unabsorbed tax losses and unutilised capital allowances can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

(f) Revenue Recognition

(i) Sales of service

Revenue from sales of services is recognised based on percentage of completion method. The stage of completion of a service contract is measured by reference to the proportion that contract costs incurred for work performed to date to the estimated total costs for the contract.

The revenue from time and material contracts is recognised on a Man-Month basis.

Irrespective of whether the outcome of a service contract can be estimated reliably when it is probable that total contract costs will exceed total contract revenue the expected loss is recognised as an expense immediately.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Revenue Recognition (Cont'd)

The aggregate of the costs incurred and the attributable profit/loss recognised on each contract is compared against the progress billings up to the end of the financial year. Where costs incurred and recognised profit (less recognised losses) exceed progress billings, the balance is shown as 'Amounts due from customers on contracts' under trade and other receivables. Conversely, where progress billings exceed costs incurred and attributable profit, the balance is shown as 'Amount due to customers on contracts' under trade and other payables.

(ii) Interest income

Interest income is recognised on accrual basis unless collection is in doubt.

(g) Employee Benefits

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Company has defined 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 Profit and Loss Account as income or expense as the case may be.

(h) Foreign Currency Translation

Foreign currency transactions are translated into Ringgit Malaysia at rates ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at rates ruling at the balance sheet date. All realised exchange differences are dealt with in the income statement.

Gain or losses from conversation of short term assets and liabilities, whether realised or unrealised, are included in operating profits as they arise.

The principal closing rates used in translating foreign currency amount are as follows :-

Foreign currency	Closing rates	
	2015	2014
	RM	RM
US Dollar	3.7038	3.2568
Sterling Pound	5.4989	5.4299
Singapore Dollar	2.6995	2.5882

(i) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, balances with bank and short term highly liquid investment which are readily convertible to known amount of cash with an insignificant risk of changes in value, net of outstanding bank overdraft.

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4. TRADE RECEIVABLES

	2015	2014
	RM	RM
Trade receivables	2,203,018	2,419,167
Less		
Allowance for doubtful debts	(2,133,821)	(2,133,821)
	<u>69,197</u>	<u>285,346</u>

5. HOLDING COMPANY

The Company is a wholly owned subsidiary company of NIIT ANTILLES N.V., a corporation incorporated in the Netherlands Antilles. The ultimate holding company is NIIT LIMITED., a corporation incorporated in India.

The amount owing by holding company is unsecured, non-trade in nature and without fixed term of repayment.

6. SHARE CAPITAL

	2015	2014
	RM	RM
Authorised :		
10,000,000 (2014 : 10,000,000) ordinary shares of RM1 each	<u>10,000,000</u>	<u>10,000,000</u>
Issued and Fully Paid :		
5,541,000 (2014 : 5,541,000) ordinary shares of RM1 each	<u>5,541,000</u>	<u>5,541,000</u>

7. TAXATION

	2015	2014
	RM	RM
Provision of income tax for current year	<u>-</u>	<u>-</u>

The reconciliation of the tax expense and the product of accounting profits multiplied by the applicable income tax rate is as follows :-

	2015	2014
	RM	RM
Profits before tax	<u>295,355</u>	<u>175,288</u>
Tax at applicable standard rate of 25% (2014 : 25%)	(73,839)	(43,822)
Tax effects of :		
Tax effect on expenses not deductible for tax purposes	(38,336)	43,822
Income not taxable	107,097	-
Tax saving on utilisation of unabsorbed capital allowances	<u>5,078</u>	<u>-</u>
Tax expenses	<u>-</u>	<u>-</u>

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7. TAXATION (CONT'D)

The Company has unabsorbed tax losses and capital allowances amounting to RM3,023,545 (2014: RM3,043,858) and RM4,518,880 (RM4,518,880) which is available for set off against future chargeable income.

8. DEFERRED TAXATION

Subject to the confirmation of the Inland Revenue Board, the Company has potential deferred tax benefits not taken up in the Financial Statements in respect of the followings:-

	2015	2014
	RM	RM
Unabsorbed business losses	3,023,545	3,043,858
Unabsorbed capital allowances	4,518,880	4,518,880
	<u>7,542,425</u>	<u>7,562,738</u>
Potential tax benefit at 25% (2014 : 25%)	<u>1,885,606</u>	<u>1,890,685</u>

9. RELATED PARTY TRANSACTIONS

During the financial year, the Company had the following related party transactions :-

	2015	2014
	RM	RM
Interest charged to immediate holding company	95,549	96,339
Purchases of services from ultimate holding company	44,318	-
Management fee charged by ultimate holding company	2,032	-
Recoveries of expenses by related companies	410,322	-
Recoveries of expenses from related companies	6,871	-
Repayment of loan by holding company	<u>1,933,750</u>	<u>-</u>

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2015**

	2015		2014
	RM	RM	RM
REVENUE		1,041,856	-
Less			
COST OF SALES			
Sub-contractor charges	956,620		-
Training management services	44,318		-
Salaries and wages	13,704		-
		1,014,642	-
GROSS PROFITS		27,214	-
Add			
OTHER INCOME			
Interest charged to holding company	95,549		96,339
Unrealised gain on foreign exchange	-		104,657
Realised gain on foreign exchange	229,791		-
		325,340	200,996
		352,554	200,996
Less			
ADMINISTRATION EXPENSES			
Auditors' remuneration	7,000		5,150
Professional charges	44,729		20,271
Sundry expenses	244		287
Unrealised loss on foreign exchange	5,226		-
		57,199	25,708
PROFITS BEFORE TAXATION		295,355	175,288