

# NIIT Institute of Finance Banking and Insurance Training Limited

## Balance Sheet as at 31st March 2012

	PARTICULARS	Notes	As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	Share capital	<b>3</b>	101,125,000	100,333,340
	Reserves and surplus	<b>4</b>	(136,802,775)	(170,146,394)
<b>2</b>	<b>Non-current liabilities</b>			
	Long-term borrowings	<b>5</b>	-	10,000,000
	Other Long term liabilities	<b>8</b>	925,000	925,000
<b>3</b>	<b>Current liabilities</b>			
	Short-term borrowings	<b>6</b>	-	16,000,000
	Trade Payables	<b>7</b>	95,936,634	104,408,701
	Other current liabilities	<b>8</b>	15,431,962	15,818,316
	Short-term provisions	<b>9</b>	2,784,458	2,567,673
	<b>TOTAL</b>		<b>79,400,279</b>	<b>79,906,636</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Fixed assets	<b>10 &amp; 11</b>		
	Tangible assets		13,541,372	13,152,358
	Intangible assets		14,593,003	17,694,998
	Long-term loans and advances	<b>13</b>	15,520,064	16,921,146
	Other non-current assets	<b>16</b>	14,443	5,206
<b>2</b>	<b>Current assets</b>			
	Inventories	<b>17</b>	3,258,517	1,461,012
	Cash and bank balances	<b>18</b>	9,577,301	17,330,239
	Short-term loans and advances	<b>13</b>	16,373,743	8,748,689
	Trade receivables	<b>14 &amp; 15</b>	6,521,836	4,592,988
	<b>TOTAL</b>		<b>79,400,279</b>	<b>79,906,636</b>

The accompanying Notes are an integral part of these Financial Statements.

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

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

For and on behalf of the Board

**Usha Rajeev**  
Partner  
Membership No.-F- 087191  
Place : Gurgaon  
Date : April 27, 2012

**S. Venkatesh**  
Whole Time Director  
DIN : 01084104

**Vijay K Thadani**  
Director  
DIN : 00042527

**K. Randhir Singh**  
Company Secretary

# NIIT Institute of Finance Banking and Insurance Training 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.
	<b>INCOME</b>			
<b>I.</b>	Revenue from Operations	<b>20</b>	398,478,008	293,650,166
<b>II.</b>	Other Income	<b>21</b>	148,870	96,550
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>398,626,878</b>	<b>293,746,716</b>
	<b>IV. EXPENDITURE</b>			
	(Increase) / Decrease in Inventory	<b>17</b>	(1,797,505)	(125,029)
	Purchase of Traded Goods		10,871,874	6,105,198
	Outsourced Professional Faculty		42,923,913	25,021,373
	Employee Benefits Expense	<b>22</b>	80,503,734	63,814,095
	Other Expenses	<b>24</b>	216,249,039	188,517,684
	Finance Costs	<b>26</b>	1,995,508	3,060,824
	Depreciation and Amortization Expenses	<b>10</b>	14,536,696	19,613,515
	<b>Total Expenses</b>		<b>365,283,259</b>	<b>306,007,660</b>
<b>V.</b>	<b>Profit /(Loss) before tax (III- IV)</b>		<b>33,343,619</b>	<b>(12,260,944)</b>
<b>VI.</b>	<b>Profit /(Loss) for the year</b>		<b>33,343,619</b>	<b>(12,260,944)</b>
<b>VII.</b>	<b>Earnings per equity share (Face Value Rs.10 each):</b>			
	(1) Basic	<b>27</b>	3.30	(1.23)
	(2) Diluted		3.30	(1.23)

The accompanying Notes are an integral part of these Financial Statements.

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

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

For and on behalf of the Board

**Usha Rajeev**  
Partner  
Membership No.-F- 087191  
Place : Gurgaon  
Date : April 27, 2012

**S. Venkatesh**  
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DIN : 01084104

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Director  
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**K. Randhir Singh**  
Company Secretary

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Cash Flow Statement for the year ended 31st March 2012**

	Particulars	Year ended 31st March 2012 Rs.		Year ended 31st March 2011 Rs.	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	<b>Profit/ (Loss) before Tax</b>		<b>33,343,619</b>		(12,260,944)
	Adjustments for:				
	Depreciation and Amortisation	14,536,696		19,613,515	
	Interest Expenses	1,995,508		3,060,824	
	Interest Income	(148,415)		(84,376)	
	(Profit)/ Loss on Fixed Assets sold	(455)		(12,174)	
	Miscellaneous Expenditure written off	-		90,802	
	Provision for Doubtful Debts	86,034		-	
	Provision for Gratuity & Compensated Absences	216,785		20,788	
	Foreign Exchange Adjustments	-	16,686,153	12,990	22,702,369
	<b>Operating profit before working capital changes</b>		<b>50,029,772</b>		<b>10,441,425</b>
	<b>Add / (Less): (Increase)/ Decrease in working capital:</b>				
	Trade Receivables	(2,014,882)		630,135	
	Loans and Advances & Other Assets	(5,121,750)		(90,139)	
	Inventories	(1,797,505)		(125,029)	
	Liabilities and Provisions	(8,403,781)	(17,337,918)	2,053,835	2,468,802
	<b>Cash generated from operations</b>		<b>32,691,854</b>		<b>12,910,227</b>
	Taxes paid (including TDS)		(1,102,222)		7,418,580
	<b>Net cash from Operating activities (A)</b>		<b>31,589,632</b>		<b>20,328,807</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Purchase of Fixed Assets		(12,278,355)		(9,475,781)
	Proceeds from sale of Fixed Assets		455		28,500
	Interest Received		139,178		84,376
	<b>Net cash used for Investing activities (B)</b>		<b>(12,138,722)</b>		<b>(9,362,905)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Proceeds from fresh issue of Share Capital (including Share Premium )		791,660		333,340
	Proceeds from Long Term Borrowings				
	Long Term Borrowings repaid during the year		(10,000,000)		-
	Short Term Borrowings repaid during the year		(16,000,000)		-
	Interest Paid		(1,995,508)		(3,060,824)
	<b>Net cash from / (used in) Financing activities (C)</b>		<b>(27,203,848)</b>		<b>(2,727,484)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents (A) + (B) + (C)</b>		<b>(7,752,938)</b>		<b>8,238,418</b>
	<b>Cash and Cash equivalents as at the beginning of the year (Note 1)</b>		<b>17,330,239</b>		<b>9,091,821</b>
	<b>Cash and cash equivalents as at the end of the year (Note 1)</b>		<b>9,577,301</b>		<b>17,330,239</b>

**Notes:**

1	Cash and cash equivalents at year end	31st March 2012	31st March 2011
		Rs.	Rs.
	Cash, Cheques & Drafts (in hand) and Remittances in transit	4,324,472	3,041,562
	Balances with banks - Current Accounts	5,252,829	14,288,677
		<b>9,577,301</b>	<b>17,330,239</b>

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**Contd--**

- 2** 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].
- 3** The accompanying Notes are an integral part of these Financial Statements.
- 4** Previous year figures, to the extent feasible, have been regrouped/recast wherever necessary to conform to the current year's classification.

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

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

For and on behalf of the Board

**Usha Rajeev**  
Partner  
Membership No.-F- 087191  
Place : New Delhi  
Date : April 27, 2012

**S. Venkatesh**  
Whole Time Director  
DIN : 01084104

**Vijay K Thadani**  
Director  
DIN : 00042527

**K. Randhir Singh**  
Company Secretary

# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Statements for the year ended March 31, 2012

### 1 BACKGROUND OF THE COMPANY

NIIT Institute of Finance Banking and Insurance Training Limited was incorporated on June 14, 2006. It is joint equity participation between NIIT Limited and ICICI Bank Limited. The main object of the Company is to provide training in banking, finance & insurance sectors.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### i) BASIS OF PREPARATION

These financial statements are prepared on an accrual basis, under the historical cost convention and in accordance with all applicable accounting principles in India. These Financial Statements have been prepared to comply in all material aspects with the applicable accounting standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other the relevant provisions of the Companies Act, 1956.

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 VI to the Companies Act, 1956. 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 – non current classification of assets and liabilities.

#### ii) Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at acquisition cost, net of accumulated depreciation.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets determined as follows: -

Buildings	58 years
Plant and Equipments including:	
- Computers, printers and related accessories	2-5 years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipments	8 years
Furniture, Fixtures & Electric Fittings	7-10 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 years
All other assets (including vehicles)	Rates prescribed under Schedule XIV to the

#### iii) Intangible Fixed Assets and Amortisation

Intangible Assets are stated at cost, net of accumulated amortisation.

Expenses incurred on internal development of educational content and products are capitalised, once their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Accounting Standard 26, "Intangible Assets" as notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]. Expenses incurred during the research phase till the establishment of commercial feasibility are charged to the Statement of Profit and Loss.

Amortization is provided on a pro-rata basis on the straight-line method over the estimated useful lives of 3-5 years.

## **NIIT Institute of Finance Banking and Insurance Training Limited**

### **Notes to the Financial Statements for the year ended March 31, 2012**

Further, educational content, computer system and software are technically evaluated each year for their useful economic life and the unamortised amount of the asset is charged to Statement of Profit and Loss as amortisation over their revised remaining useful life.

#### **iv) 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.

#### **v) Investments**

Long-term investments are valued at their 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.

#### **vi) 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.

#### **vii) Revenue Recognition**

The revenue in respect of courseware component of fee is recognized on delivery of the material to the customer whereas the revenue from the tuition activity is recognized over the period of the course commencing from the start of the batch. Revenue in respect of short term programmes is recognized on commencement of the respective programme. Revenue in respect of services is recognized on rendering services as per the terms of the respective contracts

#### **viii) Other Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

#### **ix) 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. Company’s liability is actuarially determined at the end of the year and any shortfall in the fund size maintained by the trust set up by the Holding Company with Life Insurance Corporation of India is additionally provided for

Actuarial losses/ gains are charged/ credited to the Statement of Profit and Loss in the year in which such losses/ gains arise.

##### **Compensated Absences**

Liability in respect of compensated absences is provided both for encashable leave and those expected to be availed. The Company has benefit plan for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. Any gain or loss arising out of such valuation is recognized in the Statement of Profit and Loss.

In respect of employees on deputation from other companies, the contribution for the period is recovered by their respective companies and debited to Statement of Profit and Loss and accounted for as defined contribution plan.

##### **Superannuation**

The Company makes defined contribution to a Trust established for the purpose by Holding Company. Contributions made during the period are charged to Statement of Profit and Loss. The Company has no further

## **NIIT Institute of Finance Banking and Insurance Training Limited**

### **Notes to the Financial Staments for the year ended March 31, 2012**

#### **Provident Fund**

The Company makes defined contribution to “NIIT LIMITED EMPLOYEES’ PROVIDENT FUND TRUST” in respect of employees deputed from the Holding Company. However, contribution in respect of employees directly employed by the Company is made to the Regional Provident Fund Commissioner. The Company’s contribution towards Provident Fund is charged to Statment of Profit and Loss.

#### **Pension Fund**

The Company makes defined contribution to a government administered pension fund on behalf of its employees. The Company’s contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

#### **x) Employees Stock Option Plan (ESOP)**

The stock options granted under “IFBI Employee Stock Option Plan 2008” are accounted for under intrinsic value method. The intrinsic value of the option being excess of fair value of the underlying share immediately prior to date of grant over its exercise price is recognized as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Profit and Loss Account on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortized portion. The balance in employee stock option outstanding account, net of any un-amortised deferred employee compensation, is shown separately as part of shareholder’s funds.

#### **xi) Leases**

The Company has taken premises on lease. Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis as per the terms of the related agreements

#### **xii) 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.

#### **xiii) Taxation**

Tax expense, comprising of both current tax and deferred tax is included in determining the net results for the year. Deferred Tax reflects the effect of timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognised and carried forward only to the extent, there is reasonable/ virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Current Tax is determined based on the provisions of Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognized as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilized in

#### **xiv) 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.

#### **xv) 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

#### **xvi) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>3</b>	<b>SHARE CAPITAL</b>	<b>As at 31st March 2012 Rs.</b>	<b>As at 31st March 2011 Rs.</b>
	<b>Authorised</b> 11,000,000 Equity Shares of Rs. 10/- each (Previous year 11,000,000 Equity Shares of Rs. 10/- each)	110,000,000	110,000,000
		<b>110,000,000</b>	<b>110,000,000</b>
	<b>Issued</b> 10,112,500 Equity shares of Rs.10/- each (Previous year -10,033,334 Equity Shares of Rs. 10/- each)	101,125,000	100,333,340
		<b>101,125,000</b>	<b>100,333,340</b>
	<b>Subscribed and fully paid</b> 10,112,500 Equity shares of Rs.10/- each (Previous year -10,033,334 Equity Shares of Rs. 10/- each)	101,125,000	100,333,340
		<b>101,125,000</b>	<b>100,333,340</b>

<b>3.1</b>	<b>Reconciliation of the number of shares outstanding</b>	<b>31st March 2012</b>		<b>31st March 2011</b>	
		<b>No. of shares</b>	<b>Value Rs.</b>	<b>No. of shares</b>	<b>Value Rs.</b>
	<b>Equity Shares</b>				
	Shares outstanding at the beginning of the year	10,033,334	100,333,340	10,000,000	100,000,000
	Shares Issued during the year	79,166	791,660	33,334	333,340
	<b>Shares outstanding at the end of the year</b>	<b>10,112,500</b>	<b>101,125,000</b>	<b>10,033,334</b>	<b>100,333,340</b>

<b>3.2</b>	<b>Shares in respect of each class in the company held by</b>	<b>Name of the company</b>	<b>Class of shares Equity/ Preference</b>	<b>As at 31st March 2012 No. of shares</b>	<b>As at 31st March 2011 No. of shares</b>
	Holding company	NIIT Limited	Equity	8,050,000	8,050,000

<b>3.3</b>	<b>Shares held by each shareholder holding more than 5% shares</b>	<b>31st March 2012</b>		<b>31st March 2011</b>	
		<b>% of holding</b>	<b>No. of shares</b>	<b>% of holding</b>	<b>No. of shares</b>
	<b>Equity Shares</b>				
	NIIT Limited	79.60%	8,050,000	80.23%	8,050,000
	ICICI Bank Limited	18.79%	1,900,000	18.94%	1,900,000

**3.4** Refer Note 23 for details of shares to be issued under Employees Stock Option Plan

**3.5** The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.



**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>4</b>	<b>RESERVES AND SURPLUS</b>	<b>As at 31st March 2012 Rs.</b>	<b>As at 31st March 2011 Rs.</b>
	<b>Surplus/ (Deficit) in Statement of Profit and Loss</b>		
	Balance as at beginning of the year	(170,146,394)	(157,885,450)
	Add : Profit/ (Loss) for the year	33,343,619	(12,260,944)
	<b>Closing Balance at year end</b>	<b>(136,802,775)</b>	<b>(170,146,394)</b>

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Statements for the year ended March 31, 2012**

5	LONG TERM BORROWINGS	Non Current	
		As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
A)	UNSECURED		
i)	Loans from Related Parties	-	10,000,000
	<b>Total</b>	<b>-</b>	<b>10,000,000</b>

**Note:**

Loan from Holding Company payable within 3 years with rate of interest @ 13% p.a., payable annually

6	SHORT TERM BORROWINGS	As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
A)	UNSECURED		
i)	Loans from Related Parties	-	16,000,000
	<b>Total</b>	<b>-</b>	<b>16,000,000</b>

**Note:**

Loan from Holding Company payable within One year with rate of interest @ 11% p.a., payable annually

7	Trade Payables	Current	
		As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
	<b>Sundry Creditors</b>		
	- Due to Others	95,936,634	104,408,701
		<b>95,936,634</b>	<b>104,408,701</b>

8	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.
	Security Deposits	925,000	925,000	-	-
	Deferred Revenue	-	-	-	469,435
	Advances from Customers	-	-	2,314,004	974,637
	Payable to Employees	-	-	2,873,949	4,917,054
	Statutory Dues	-	-	6,494,709	5,253,250
	Other Payables	-	-	3,749,300	4,203,940
		<b>925,000</b>	<b>925,000</b>	<b>15,431,962</b>	<b>15,818,316</b>

Other Payables include towards purchases of capital nature

9	Provisions	Short-Term	
		As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
	<b>Employee benefits *:</b>		
	Provision for Gratuity	376,458	566,673
	Provision for Compensated Absences	2,408,000	2,001,000
		<b>2,784,458</b>	<b>2,567,673</b>

\*Also refer Note 22

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

**10 Fixed Assets (Tangible and Intangible)**

(Amount in Rs.)

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	Cost As on 01.04.2011	Additions during the year	Sales / Adj. during the year	Total as on 31.03.2012	As on 01.04.2011	For the year	Sales / Adj. during the year	Total as on 31.03.2012	As on 31.03.2012	As on 31.03.2011
<b><u>i) Tangible</u></b>										
Plant & Equipment	30,535,021	2,095,470	43,992	32,586,499	22,752,246	2,505,888	43,992	25,214,142	7,372,357	7,782,775
Office Equipments	3,372,900	39,136	-	3,412,036	1,600,482	396,617	-	1,997,099	1,414,937	1,772,418
Lease Hold Improvements	18,572,675	2,268,919	-	20,841,594	16,652,961	923,333	-	17,576,294	3,265,300	1,919,714
Furniture & Fixtures	6,204,558	487,247	8,814	6,682,991	4,527,107	675,920	8,814	5,194,213	1,488,778	1,677,451
<b>Sub Total (a)</b>	58,685,154	4,890,772	52,806	63,523,120	45,532,796	4,501,758	52,806	49,981,748	13,541,372	13,152,358
<b><u>ii) Intangible</u></b>										
Content										
- Internally generated	39,387,802	5,873,085	-	45,260,887	23,050,735	8,725,979	-	31,776,714	13,484,173	16,337,067
- Acquired	-	490,885	-	490,885	-	41,131	-	41,131	449,754	-
Software										
- Acquired	8,727,681	568,973	-	9,296,654	7,369,750	1,267,828	-	8,637,578	659,076	1,357,931
<b>Sub Total (b)</b>	48,115,483	6,932,943	-	55,048,426	30,420,485	10,034,938	-	40,455,423	14,593,003	17,694,998
<b>Total ( a+b )</b>	<b>106,800,637</b>	<b>11,823,715</b>	<b>52,806</b>	<b>118,571,546</b>	<b>75,953,281</b>	<b>14,536,696</b>	<b>52,806</b>	<b>90,437,171</b>	<b>28,134,375</b>	<b>30,847,356</b>
<b>Previous Year</b>	<b>97,632,945</b>	<b>9,475,781</b>	<b>308,089</b>	<b>106,800,637</b>	<b>56,631,529</b>	<b>19,613,515</b>	<b>291,763</b>	<b>75,953,281</b>	<b>30,847,356</b>	

# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

### 11 Note of Capitalization of Internally Generated Intangibles

During the year, the Company had further developed courseware content for its new training programs to meet the industry needs and demands and will enhance the marketability and revenue generating capacity of the Company. The Company is confident of ability to generate future economic benefits from the above mentioned assets. The costs incurred during the year towards the development is as follows :

Description	Year Ended 31st March, 2012 (Rs.)	Year Ended 31st March, 2011 (Rs.)
Salary and other Employee Benefits	1,792,024	4,211,793
Professional Services	3,846,901	3,605,914
Travel	234,160	520,571
Other Expenses	-	44,794
<b>Total</b>	<b>5,873,085</b>	<b>8,383,072</b>
Less : Assets Captilised during the Year	<b>5,873,085</b>	<b>8,383,072</b>

12 Deferred taxes have not been recognised as a matter of prudence.

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

13	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 Unsecured, considered good	7,372,876	9,876,180	5,747,380	754,500
	(A)	<b>7,372,876</b>	<b>9,876,180</b>	<b>5,747,380</b>	<b>754,500</b>
ii)	Advances recoverable in cash or in kind Unsecured, considered good (Note 1)	-	-	10,626,363	7,994,189
	(B)	<b>-</b>	<b>-</b>	<b>10,626,363</b>	<b>7,994,189</b>
iii)	Other Advances				
a)	Advance payment of Fringe Benefit Tax	2,320,278	2,320,278	-	-
	Less: Provision for Fringe Benefit Tax	(2,149,977)	(2,149,977)	-	-
		<b>170,301</b>	<b>170,301</b>	<b>-</b>	<b>-</b>
b)	Advance Tax	6,365,703	5,263,481	-	-
	Less : Provision for Tax	-	-	-	-
		<b>6,365,703</b>	<b>5,263,481</b>	<b>-</b>	<b>-</b>
c)	MAT Credit entitlement	1,611,184	1,611,184		
		<b>1,611,184</b>	<b>1,611,184</b>	<b>-</b>	<b>-</b>
	(C)	<b>8,147,188</b>	<b>7,044,966</b>	<b>-</b>	<b>-</b>
	<b>Total (A+B+C)</b>	<b>15,520,064</b>	<b>16,921,146</b>	<b>16,373,743</b>	<b>8,748,689</b>

Note

- Advances recoverable include input service tax credit aggregating to Rs.8,978,607 (Previous year Rs. 6,126,733).

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

14	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	-	-	868,460	1,611,786
	Unsecured, considered doubtful	5,436,882	12,350,848	-	-
	Less: Provision for doubtful debts	(5,436,882)	(12,350,848)	-	-
		-	-	868,460	1,611,786
	b) Other Trade Receivables				
	Unsecured, considered good	-	-	5,653,376	2,981,202
		-	-	5,653,376	2,981,202
		-	-		
		-	-	6,521,836	4,592,988

15	Provision for Doubtful Debts	Non Current	
		As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
	Opening Provision	12,350,848	12,350,848
	Add: Additional Provision Created	86,034	-
	Less: Provision utilised	7,000,000	-
	Closing Provision	5,436,882	12,350,848

16	OTHER ASSETS	Non Current	
		As at 31st March 2012 Rs.	As at 31st March 2011 Rs.
	Interest Receivable	14,443	5,206
		14,443	5,206

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>17 Inventories</b>	<b>As at 31st March 2012 Rs.</b>	<b>As at 31st March 2011 Rs.</b>
<b>As at end of the year</b>		
<b>Traded Goods</b>		
Education and Training Material	3,258,517	1,461,012
	<b>3,258,517</b>	<b>1,461,012</b>
<b>As at the beginning of the year</b>		
<b>Traded Goods</b>		
Education and Training Material	1,461,012	1,335,983
	<b>1,461,012</b>	<b>1,335,983</b>
<b>(Increase) / Decrease in Inventory</b>	<b>(1,797,505)</b>	<b>(125,029)</b>

Note : Details of Inventories (Traded)

<b>Particulars</b>	<b>As at 31st March 2012 Rs.</b>	<b>As at 31st March 2011 Rs.</b>
Opening Inventory	1,461,012	1,335,983
Purchases	10,871,874	6,105,198
Closing Inventory	3,258,517	1,461,012
<b>Consumed</b>	<b>9,074,369</b>	<b>5,980,169</b>

<b>18 Cash and Bank Balances</b>	<b>Current</b>	
	<b>As at 31st March 2012 Rs.</b>	<b>As at 31st March 2011 Rs.</b>
<b>Cash and cash equivalents:</b>		
Cash on hand	2,257,973	1,560,713
Cheques, drafts on hand	2,066,499	1,480,849
Balance with banks		
Current Accounts	5,252,829	14,288,677
	<b>9,577,301</b>	<b>17,330,239</b>

**19 Contingent Liabilities**

- (a) Claim against the Company not acknowledged as debts Rs. 252,000/- (Previous year Rs.281,420).  
(b) Bank Guarantee issued on behalf of the Company Nil (Previous year Rs. 400,000/-)  
(c) In respect of demand raised for Service Tax Rs. 32,352,344/- (Previous year Rs. Nil)  
Management does not foresee any cash outflow based on advice of legal experts.

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>20</b>	<b>Revenue from Operations</b>	<b>Year ended 31st March 2012 Rs.</b>	<b>Year ended 31st March 2011 Rs.</b>
	Revenue		
	Tution and Training Fee	218,140,414	162,862,058
	Consultancy Services	3,229,435	3,946,772
	Courseware Sales	177,108,159	126,841,336
		<b>398,478,008</b>	<b>293,650,166</b>

<b>21</b>	<b>Other Income</b>	<b>Year ended 31st March 2012 Rs.</b>	<b>Year ended 31st March 2011 Rs.</b>
	Interest Income	148,415	84,376
	Profit on Sale of Fixed Assets (Net)	455	12,174
		<b>148,870</b>	<b>96,550</b>



# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

22	Employee Benefits Expenses	Year ended 31st March 2012 Rs.	Year ended 31st March 2011 Rs.
	Salaries and Benefits	75,070,186	59,550,218
	Contribution to Provident and Other Funds (Refer Note below)	3,191,112	2,665,105
	Welfare and Other expenses	2,242,436	1,598,772
		<b>80,503,734</b>	<b>63,814,095</b>

### Note EMPLOYEE BENEFITS

#### A) Defined Contribution Plans

Company makes contribution towards Provident Fund and Superannuation Fund to a defined contribution retirement benefit plans for eligible employees.

During the year the Company has recognized the following amounts in the statement of profit and loss :-

Particulars	Year ended March 31, 2012 (Rs.)	Year ended March 31, 2011 (Rs.)
Employers Contribution to Provident Fund	1,645,088	1,280,276
Employers Contribution to Superannuation Fund	379,879	354,627
Employers Contribution to Pension Fund	663,179	559,811
<b>Total</b>	<b>2,688,146</b>	<b>2,194,714</b>

The above include the following contributions in respect of employees on deputation from the Holding company being recovered by such company:

Particulars	Year ended March 31, 2012 (Rs.)	Year ended March 31, 2011 (Rs.)
Employers Contribution to Provident Fund	406,630	362,731
Employers Contribution to Superannuation Fund	379,879	354,627
Employers Contribution to Pension Fund	49,118	56,031
<b>Total</b>	<b>835,627</b>	<b>773,389</b>

The contributions, made to the respective Trusts by the sponsoring employer, the Holding company, for the respective plans, are recovered from the Company and therefore have been accounted for as defined contribution plan.

Contribution toward Provident Fund, Superannuation Fund and Pension Scheme to the defined contribution plans includes following cost for Key Managerial Personnel:

Particulars	Year ended March 31, 2012 (Rs.)	Year ended March 31, 2011 (Rs.)
Employers Contribution to Provident Fund	149,388	135,708
Employers Contribution to Superannuation Fund	99,996	99,996
Employers Contribution to Pension Fund	6,492	6,492
<b>Total</b>	<b>255,876</b>	<b>242,196</b>

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

**B) Benefit Plans**

**1. Compensated Absences**

Particulars	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)
<b>i.Change in Present value of Obligation :</b>		
Present Value of obligation at the beginning of the year	2,001,000	1,899,720
Current service cost	851,040	649,360
Interest Cost	160,080	151,980
Actuarial (gain)/ loss on obligation	(604,120)	(700,060)
Present value of obligation at the end of the year	2,408,000	2,001,000
Cost recovered by/ (from) holding company for employees on deputation	(217,000)	168,910
Amount debited/ (Credited) to the Profit and Loss Account	407,000	270,190
<b>ii.Assumptions used in accounting for Compensated Absences :</b>		
Discount Rate (per annum)	8.60%	8.00%
<b>Future Salary Increase</b>	10% p.a. for first 5 Years and 7% p.a. thereafter	10% p.a. for first 5 Years and 7% p.a. thereafter

**2. Gratuity Fund (Defined Benefit Plan):**

In accordance with Accounting Standard 15(revised 2005), an actuarial valuation was carried out in respect of Gratuity Fund :-

Particulars	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)
<b>i. Change in benefit obligation:-</b>		
Present Value of Obligation at the beginning of the Year	1,123,000	961,203
Interest cost	89,837	76,900
Current service cost	301,218	280,387
Actuarial (gain)/ loss on Obligations	(118,060)	(195,490)
Present value of obligation as at the End of the Year	<b>1,395,995</b>	<b>1,123,000</b>
<b>ii. Change in Plan Assets:-</b>		
Fair value of Plan Assets at the beginning of the year	556,327	314,038
Expected return on Plan Assets	71,320	39,367
Contributions	404,685	209,482
Actuarial gain/ (loss) on Plan Assets	(12,795)	(6,560)
Fair value of Plan Assets at the end of the year	<b>1,019,537</b>	<b>556,327</b>

Particulars	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)	As at March 31, 2010 (Rs.)	As at March 31, 2009 (Rs.)
<b>iii. Amount of Liability recognized at the year end</b>				
Fair value of Plan Assets	1,019,537	556,327	314,038	167,858
Present value of obligation	1,395,995	1,123,000	961,203	683,058
<b>Net Liability as at year end</b>	<b>376,458</b>	<b>566,673</b>	<b>647,165</b>	<b>515,200</b>

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

Particulars	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)
<b>vi. Net Gratuity Cost recognized in Profit and Loss Account:-</b>		
Current service cost	301,218	280,387
Interest Cost	89,837	76,900
Expected return on Plan Assets	(71,320)	(39,367)
Net Actuarial (gain)/ loss recognized during the period	(105,265)	(188,930)
Cost recovered by holding company for employees on deputation	288,496	341,401
<b>Expense recognized in profit and loss Account*</b>	<b>502,966</b>	<b>470,391</b>
Actual return of plan assets	58,530	32,810
*Includes Rs.135,039 ( Previous year Rs. 151,440) towards contribution for Key Managerial Personnel.		
<b>v. Assumptions used in accounting for gratuity liability:-</b>		
Discount Rate (per annum)	8.60%	8%
Future Salary Increase	5%	5%
Expected Rate of Return on Plan Assets	9.40%	9.40%

**Investment details of plan assets:**

During the year, the Company has contributed to the Gratuity fund of the holding company, maintained by the Life Insurance Corporation of India. The details of investment maintained by Life Insurance Corporation 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.

Actuary's best estimate of contribution for the next year is Rs. 700,000 (Previous year Rs.200,000).

# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

### 23 Employee Stock Option Plan

During the previous year the Company had established IFBI Employee Stock Option Plan 2008 “(ESOP 2008)” and the

The Company granted following options :

Particulars	Grant I			Grant I		
	2011-12			2010-11		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Date of Grant	28-Apr-08	28-Apr-08	28-Apr-08	28-Apr-08	28-Apr-08	28-Apr-08
Date of Vesting	28-Apr-09	28-Apr-10	28-Apr-11	28-Apr-09	28-Apr-10	28-Apr-11
Live options at the beginning of the year (Nos.)	20,833	20,833	37,500	37,500	37,500	37,500
Granted during the year (Nos.)	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-
Options Vested (Nos)	-	-	37,500	37,500	37,500	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-
Options exercised (Nos)	20,833	20,833	37,500	16,667	16,667	-
Outstanding/ exercisable at the end of the year (Nos)	-	-	-	20,833	20,833	37,500
Exercise Price (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Remaining Contractual Life (Days)	-	-	-	1,124	1,489	1,854
Fair value of a share based on Discounted Cash Flow Method (5%) and Net Asset Value (95%)	9.68	9.68	9.68	9.68	9.68	9.68
Fair value of the options based on Black and Scholes Model (Rs.)	2.59	2.59	2.59	2.59	2.59	2.59
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-

Particulars	Grant I			Grant I		
	2011-12			2010-11		
	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	-	-	2,394	-	3,592	32,374

The inputs used by an independent valuer, for determination of fair value as per the Black & Scholes model are as follows:

- The Fair Market Value per equity share has been assumed as Rs. 9.68
- Exercise price of Rs.10 per option has been considered.
- Since the Company is unlisted, the volatility has been considered to be zero.
- Each vest has been considered as a separate grant with equal weights assigned to each vesting as per the vesting schedule. Considering the minimum life as the vesting period and maximum life being the period till which the options can be exercised (i.e vesting period plus exercise period), the expected life has been calculated as an average of minimum and maximum life.
- Risk free interest rate has been assumed at 7.99% based on Zero-coupon yield curve as on April 28, 2008.

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>24</b>	<b>Other Expenses</b>	<b>Year ended 31st March 2012 Rs.</b>	<b>Year ended 31st March 2011 Rs.</b>
	Equipment and Infrastructure Hiring	62,312,644	52,803,204
	Royalties	7,961,000	7,007,800
	Freight and Cartage	1,429,479	812,479
	Rent (net of recoveries)	25,701,421	23,731,907
	Rates and Taxes	491,127	824,188
	Power & Fuel	6,126,566	6,217,138
	Communication	2,153,053	1,793,291
	Legal and Professional	3,258,684	2,134,153
	Management Cost Recovery by Holding Company	11,218,020	9,148,181
	Traveling and Conveyance	9,813,244	7,165,930
	Provision for Doubtful Debts	86,034	-
	Insurance	136,817	97,162
	Repairs and Maintenance		
	- Plant and Machinery	1,372,943	1,157,702
	- Buildings	138,967	104,276
	- Others	4,430,017	3,218,801
	Consumbales	2,979,270	1,794,711
	Loss on foreign currency translation and transaction (net)	28,299	12,990
	Security and Administration Services	2,558,619	559,694
	Miscellaneous Expenditure written off	-	90,802
	Bank Charges	1,135,062	780,275
	Advertisement and Publicity	69,610,051	66,347,169
	Other Marketing Expenses	560,826	866,832
	Sundry Expenses	2,746,896	1,848,999
		<b>216,249,039</b>	<b>188,517,684</b>

**NIIT Institute of Finance Banking and Insurance Training Limited**  
**Notes to the Financial Staments for the year ended March 31, 2012**

<b>25</b>	<b>Payment to Auditors</b>	<b>Year ended 31st March 2012 Rs.</b>	<b>Year ended 31st March 2011 Rs.</b>
	Audit fee	750,000	750,000
	Tax Audit fees	90,000	90,000
	Reimbursement of expenses (including Service Tax)	151,015	132,847
		<b>991,015</b>	<b>972,847</b>

<b>26</b>	<b>Finance costs</b>	<b>Year ended 31st March 2012 Rs.</b>	<b>Year ended 31st March 2011 Rs.</b>
	Interest Expense	1,995,508	3,060,824
		<b>1,995,508</b>	<b>3,060,824</b>

# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

### 27 Earnings Per Share

Particulars	Year Ended 31st March, 2012 (Rs.)	Year Ended 31st March, 2011 (Rs.)
Profit/ (Loss) attributable to Equity Shareholders (Rs.) – (A)	33,343,619	(12,260,944)
Weighted Average number of Equity shares Outstanding during the year - (B)	10,095,879	10,000,365
Nominal Value of Equity Shares (Rs.)	10/-	10/-
Basic and Diluted Earnings (Loss) per share (Rs) (A/B)	3.30	(1.23)
<b>EARNING PER SHARE {had fair value method been employed for accounting of employee stock options} (Refer Note 23)</b>		
	Year Ended 31st March, 2012 (Rs.)	Year Ended 31st March, 2011 (Rs.)
Profit/ (Loss) attributable to Equity Shareholders (Rs.) – (C)	33,341,225	(12,296,910)
Basic and Diluted (Loss) per share (Rs) (C/B)	3.30	(1.23)

As the exercise price of employee stock option is higher than the fair value of the shares, the stock options are not considered as dilutive instruments. Hence, basic and diluted earnings per share are same.

### 28 Related Party Disclosures

#### A. Related party relationship where control exists

Holding Company - NIIT Limited

#### B. Fellow Subsidiaries

Name of Company
1. NIIT Online Learning Ltd
2. Hole-in-the-Wall Education Ltd
3. Scantech Evaluation Services Ltd
4. NEO Multimedia Limited (formerly known as NIIT Multimedia Limited) ceased to be subsidiary company w.e.f. March 31,
5. NIIT Yuva Jyoti Limited (w.e.f. May 25, 2011)
6. NIIT Institute of Process Excellence Limited
7. Evolv Services Limited
8. NIIT Ltd, UK
9. NIIT Antilles NV, Netherlands Antilles
10. NIIT Malaysia Sdn. Bhd, Malaysia
11. NIIT GC Ltd (formerly NIIT TVE Ltd, Mauritius)
12. NIIT China (Shanghai) Limited, Shanghai
13. NIIT Wu Xi Service Outsourcing Training School
14. Chongqing NIIT Education Consulting Limited, China
15. Wu Xi NIIT Information Technology Consulting Limited.
16. Changzhou NIIT Information Technology Consulting Limited
17. Su Zhou NIIT Information Technology Consulting Ltd
18. PCEC NIIT Institute of Information Technology, Shanghai- (already liquidated)
19. NIIT (USA) Inc, USA
20. NIIT Ventures Inc, USA
21. Element K Corporation, USA (ceased to be subsidiary company w.e.f. Oct 14, 2011)
22. Element K India Private Limited, India (ceased to be subsidiary company w.e.f. Oct 14, 2011)
23. Element K (UK) Limited, United Kingdom (ceased to be subsidiary company w.e.f. Oct 14, 2011)
24. Element K, Canada (ceased to be subsidiary company w.e.f. Oct 14, 2011)
25. PT NIIT Indonesia, Indonesia (Under liquidation)
26. NIIT West Africa Limited, Nigeria

#### C. Key Managerial Personnel :

Mr. S. Venkatesh – Whole-time Director

# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

### D. Details of significant transactions with the Related Parties carried out on an arms length basis:

Nature of Transactions	Holding Company (Rs.)	Fellow Subsidiaries (Rs.)	Key Managerial Personnel (Rs.)	Total (Rs.)
Equity Issued	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Loans Received Paid Back	26,000,000 (Nil)	Nil (Nil)	Nil (Nil)	26,000,000 (Nil)
Interest Expense	1,533,603 (3,060,000)	Nil (Nil)	Nil (Nil)	1,533,603 (3,060,000)
Services Received (Refer Note a below)	9,995,122 (12,331,393)	229,240 (228,000)	Nil (Nil)	10,224,362 (12,559,393)
Services Rendered	9,210,797 (10,355,184)	Nil (Nil)	Nil (Nil)	9,210,797 (10,355,184)
Sale of Goods	5,182,000 (Nil)	Nil (Nil)	Nil (Nil)	5,182,000 (Nil)
Management Charges	11,218,020 (9,148,181)	Nil Nil	Nil (Nil)	11,218,020 (9,148,181)
Recovery of Expenses by (Refer Note b below)	20,421,213 (19,599,318)	60,000 (6,156)	Nil (Nil)	20,481,213 (19,605,474)
Recovery of Expenses from (Refer Note c below)	6,491,136 (2,339,619)	566,765 (2,936,760)	Nil (Nil)	7,057,901 (5,276,379)
Purchase of Assets (Refer Note d below)	2,058,669 (Nil)	1,523,422 (Nil)	Nil (Nil)	3,582,091 (Nil)
Remuneration	Nil (Nil)	Nil (Nil)	5,871,994 (6,167,931)	5,871,994 (6,167,931)

Note :

- a. Includes services received from Evolv Services Limited Rs. 229,240 (Previous year Rs. 228,000).
- b. Includes recovery of expenses by Evolv Services Limited Rs. 60,000 (Previous year Rs. 6,156).
- c. Includes recovery of expenses from:
  - NIIT Institute of Process Excellence Limited Rs. 144,545 (Previous year Rs. 2,514,540)
  - Evolv Services Limited Rs. 422,220 (Previous year Rs. 422,220).
- d. Includes Purchase of Assets from NIIT Institute of Prcoess Excellence Limited Rs. 1,523,422 (Previous year Rs. Nil).

### E. Details of outstanding balances with related parties:

(Amount in Rs.)

Particulars	Payables/ Liabilities As at 31.03.2012	Receivable As at 31.03.2012	Payables/ Liabilities As at 31.03.2011	Receivable As at 31.03.2011	Borrowings As at 31.03.2012	Borrowings As at 31.03.2011
Holding Company	53,805,589	Nil	76,587,893	Nil	Nil	26,000,000
Key Managerial Personnel	330,010	Nil	972,001	Nil	Nil	Nil
Fellow Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil



# NIIT Institute of Finance Banking and Insurance Training Limited

## Notes to the Financial Staments for the year ended March 31, 2012

### 29 Segment Reporting

The Company is in the business of imparting education and training in the fields of finance, banking and insurance which is viewed by the management as a single segment in accordance with AS 17 'Segment Reporting' as notified under section 211(3C). The Company operates in a single geography (India) and accordingly, secondary segment reporting is not applicable.

### 30 Leases - Operating

The Company has entered into leases for office premises and employee accommodations which are cancelable at the option of the Company by giving requisite notice.

Aggregate payments during the period under operating leases are as shown hereunder:

Particulars	Year Ended 31st March, 2012 (Rs.)	Year Ended 31st March, 2011 (Rs.)
In respect of Premises*	25,701,421	23,731,907

\*The Company has recovered Rs. 4,332,140 (Previous year Rs.1,325,400) for sharing of premises.

### 31 Disclosure in respect of Micro, Small and Medium enterprises

Based on information available with the Company, there is no vendor covered under the Micro, Small and Medium Enterprises Development Act, 2006.

- 32** The Company reported a net Profit before tax of Rs. 33,343,619/- for the year ended March 31, 2012 as against net loss of Rs. 12,260,944/- for the corresponding previous year. The Company witnessed an increase in student registrations and consequently increase in revenues along with improvement in cash flows during the year. Based on its projected financial performance and cash flows, the net worth position of the Company is expected to further improve in the ensuing financial year. In view of the above and taking into consideration the letter of support from the Holding company (NIIT Limited), the financial statements have been prepared on a going concern basis.

### 33 Previous Year Figures

The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31,2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to current year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Signatures to Notes '1' to '33' above

**For Price Waterhouse**

Firm Registration No. : 301112 E  
Chartered Accountants

For and on behalf of the Board

**Usha Rajeev**  
Partner  
Membership No.-F- 087191  
Place : Gurgaon  
Date : April 27, 2012

**S. Venkatesh**  
Whole Time Director  
DIN : 01084104

**Vijay K Thadani**  
Director  
DIN : 00042527

**K. Randhir Singh**  
Company Secretary