

Scantech Evaluation Services Limited

Balance Sheet as at March 31, 2013

	Notes	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	99,100,000	99,100,000
Reserves and surplus	5	77,186,043	62,314,271
Current liabilities			
Trade payables	6	239,397	186,528
Other current liabilities	7	17,048	42,674
Short-term provisions	8	110,569,438	105,962,378
TOTAL		287,111,926	267,605,851
ASSETS			
Non-current assets			
Fixed assets			
-Tangible assets	9	8,500	8,500
Non-current investments	10	97,498,200	97,498,200
Long-term loans and advances	11	216,741	47,556
Current assets			
Current investments	10	700,000	700,000
Short-term loans and advances	11	187,137,145	165,789,974
Cash and bank balances	12	1,551,340	3,561,621
TOTAL		287,111,926	267,605,851

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

For and on behalf of the Board

For **Ghosh Khanna & Co.**
Firm Registration No.: 003366N
Chartered Accountants

Amit Mittal
Partner
Membership No.- 508748

Rajendra S Pawar
Director
DIN - 00042516

Vijay Kumar Thadani
Director
DIN - 00042527

Avika Kapoor
Company Secretary

Place : Gurgaon
Dated : May 13, 2013

Scantech Evaluation Services Limited

Statement of Profit & Loss for the year ended 31st March 2013

		Notes	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
	INCOME			
	Other Income	13	131,581,695	123,082,371
	Total Income		131,581,695	123,082,371
	EXPENDITURE			
	Employee Benefits Expense	14	1,106,181	1,411,168
	Other Expenses	15	231,102	333,074
	Total Expenses		1,337,283	1,744,242
	Profit before tax		130,244,412	121,338,129
	Tax expense:			
	Current tax		4,803,202	3,867,430
	Profit (Loss) for the year		125,441,210	117,470,699
	Earnings per equity share (Face Value Rs. 10 each):			
	(1) Basic	17	12.66	11.85
	(2) Diluted	17	12.66	11.85

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

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

For and on behalf of the Board

For **Ghosh Khanna & Co.**
Firm Registration No.: 003366N
Chartered Accountants

Amit Mittal
Partner
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Avika Kapoor
Company Secretary

Place : Gurgaon
Dated : May 13, 2013

Scantech Evaluation Services Limited
Cash Flow Statement for the year ended 31st March 2013

			Year ended March 31, 2013 Rs.		Year ended March 31, 2012 Rs.
A.	CASH FLOW FROM OPERATING ACTIVITIES:				
	Profit before Tax		130,244,412		121,338,129
	Adjustments for:				
	Interest Income	(15,633,855)		(14,381,271)	
	Dividend Income	(115,947,840)	(131,581,695)	(108,701,100)	(123,082,371)
	Operating profit before working capital changes		(1,337,283)		(1,744,242)
	Add / (Less): (Increase)/ Decrease in operating working capital:				
	Current Liabilities and Provisions	27,243	27,243	50,111	(949,889)
	Cash generated from operations		(1,310,040)		(2,694,131)
	Taxes paid (including TDS)		(4,972,387)		(3,871,655)
	Net cash used in Operating activities (A)		(6,282,427)		(6,565,786)
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Dividend received		115,947,840		108,701,100
	Inter Corporate Deposits given to Holding Company		(175,500,000)		(126,000,000)
	Loan to Holding Company received back		32,100,000		116,500,000
	Inter Corporate Deposit to Holding Company received back		126,000,000		-
	Interest Received		11,686,684		6,691,297
	Net cash from Investing activities (B)		110,234,524		105,892,397
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Dividend Paid		(91,172,000)		(83,244,000)
	Dividend Tax Paid		(14,790,378)		(13,504,258)
	Net cash used in Financing activities (C)		(105,962,378)		(96,748,258)
	Net Decrease in Cash & Cash equivalents (A) + (B) + (C)		(2,010,281)		2,578,353
	Cash and Cash equivalents as at the beginning of the year (Note 1)		3,561,621		983,268
	Cash and cash equivalents as at the end of the year (Note 1)		1,551,340		3,561,621

Notes:

1	Cash and cash equivalents as on	March 31, 2013	March 31, 2012
		Rs.	Rs.
	Cash, Cheques & Drafts (in hand) and Remittances in transit	6	6
	Balances with banks	1,551,334	3,561,615
		1,551,340	3,561,621

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) of The Companies Act, 1956.

3 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 and on behalf of the Board

For **Ghosh Khanna & Co.**
Firm Registration No.: 003366N
Chartered Accountants

Amit Mittal
Partner
Membership No.- 508748

Rajendra S Pawar
Director
DIN - 00042516

Vijay Kumar Thadani
Director
DIN - 00042527

Place : Gurgaon
Dated : May 13, 2013

Avika Kapoor
Company Secretary

Scantech Evaluation Services Limited

Notes to the financial statements for the year ended March 31, 2013

1 BACKGROUND

The Company was incorporated on July 17, 2002. The main objects of the Company are to undertake business activities as consultants, providing services and to carry on business in all spheres of computer systems and computer applications, developers of hardware & software systems and related activities.

The ancillary objects include investing money or monies of the Company, in shares, stocks and other investments as may be expedient and to hold, sell or otherwise deal with such investments in any manner and to lend or advance money as the Company may think fit for implementing the main objects. The Company has invested in 24.30% of paid up share capital of NIIT Technologies Limited (NTL) and also advanced loan to its holding company, NIIT Limited. As the Company has not commenced its main business, at present, the sources of income include dividend from investments and interest on loans given to holding company.

2 BASIS OF PREPARATION OF ACCOUNTS

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.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are detailed below:

i) Fixed Assets and Depreciation

Fixed Assets are shown at acquisition cost. Computers and computer accessories are depreciated over a period of 3 years, on a straight line basis.

ii) 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 their market value, whichever is lower.

iii) Revenue Recognition

Revenue is recognised on an accrual basis. Dividend income is recognised when the right to receive dividend is established. Income from sale of mutual fund is recognised at the time of sale of units in mutual funds.

iv) 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 temporary 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 certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Current tax is determined based on the provisions of Income Tax Act, 1961.

v) Cash and Cash Equivalents

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.

Scantech Evaluation Services Limited
Notes to the financial statements for the year ended March 31, 2013

4	SHARE CAPITAL	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
	Authorised 12,000,000 Equity Shares of Rs. 10/- each (Previous year 12,000,000 Equity Shares of Rs. 10/- each)	120,000,000	120,000,000
		120,000,000	120,000,000
	Issued 9,910,000 Equity Shares of Rs. 10/- each NIIT Limited	99,100,000	99,100,000
		99,100,000	99,100,000
	Subscribed and fully paid 9,910,000 Equity Shares of Rs. 10/- each (Previous Year 9,910,000 Equity Shares of Rs. 10/- each)	99,100,000	99,100,000
		99,100,000	99,100,000

4.1	Reconciliation of the number of shares outstanding	March 31, 2013		March 31, 2012	
		No. of shares	Value Rs.	No. of shares	Value Rs.
	Equity Shares				
	Shares outstanding at the beginning of the year	9,910,000	99,100,000	9,910,000	99,100,000
	Shares issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	9,910,000	99,100,000	9,910,000	99,100,000

4.2	Shares in respect of each class in the company held by	Name of the company	Class of shares Equity/ Preference	As at March 31, 2013 No. of shares	As at March 31, 2012 No. of shares
	Holding company	NIIT Limited	Equity	9,909,940	9,909,940

4.3	Shares held by each shareholder holding more than 5% shares	March 31, 2013		March 31, 2012	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares NIIT Limited	99.99%	9,909,940	99.99%	9,909,940
	Total	99.99%	9,909,940	99.99%	9,909,940

Scantech Evaluation Services Limited
Notes to the financial statements for the year ended March 31, 2013

5	RESERVES AND SURPLUS		As at March 31, 2013 Rs.		As at March 31, 2012 Rs.
	General Reserve				
	As per Last Balance Sheet	61,593,923		49,848,221	
	Less: General Reserve of Associates			-	
	Add : Transferred from Statement of Profit and Loss	12,544,121	74,138,044	11,745,702	61,593,923
	Statement of Profit & Loss				
	Balance Brought Forward from Previous year	720,348		957,729	
	Profit for the year	125,441,210		117,470,699	
	Less:-				
	Proposed Dividend on Equity Shares	95,136,000		91,172,000	
	Corporate Dividend Tax	15,433,438		14,790,378	
	Transferred to General Reserve	12,544,121	3,047,999	11,745,702	720,348
			77,186,043		62,314,271

6	Trade Payables	Current	
		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
	Trade Payables	239,397	186,528
		239,397	186,528

7	Other current liabilities	Current Liabilities	
		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
	Statutory Dues	17,048	42,674
		17,048	42,674

8	Provisions	SHORT-TERM	
		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
	Proposed dividend	95,136,000	91,172,000
	Provision for Corporate Dividend Tax	15,433,438	14,790,378
		110,569,438	105,962,378

Scantech Evaluation Services Limited

Notes to the financial statements for the year ended March 31, 2013

(Amount in Rs.)

9	Fixed Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	Description of Assets	Cost As on 01.04.2012	Additions during the year	Sales / Adj. during the year	Total as on 31.03.2013	As on 01.04.2012	For the year	Sales / Adj. during the year	Total as on 31.03.2013	As on 31.03.2013	As on 31.03.2012
	i) Tangible										
	Plant & Equipment -Owned (Scanner & Computer)	170,000	-	-	170,000	161,500	-	-	161,500	8,500	8,500
	Total	170,000	-	-	170,000	161,500	-	-	161,500	8,500	8,500
	Previous Year	170,000	-	-	170,000	161,500	-	-	161,500	8,500	

10	INVESTMENTS	Non Current		Current	
		As at	As at	As at	As at
		March 31, 2013	March 31, 2012	31st March 2013	31st March 2012
		Rs.	Rs.	Rs.	Rs.
	A. LONG TERM, TRADE [UNQUOTED]	97,498,200	97,498,200	-	-
	14,493,480 Equity Shares of Rs. 10/- each in NIIT Technologies Limited (Previous Year 14,493,480 Equity Shares of Rs. 10/- each) Market Value as on 31st March, 2013 - Rs. 4,092,958,752/- (Previous Year - Rs. 3,950,922,648/-)				
	B SHORT TERM, NON TRADE [UNQUOTED]	-	-	700,000	700,000
	In Mutual Funds 6053 Units of ICICI Prudential Liquid-Regular Plan- Growth (Fair Market Value Rs 1,049,970/- as on March 31, 2013) (Previous Year 6053 Units of ICICI Prudential Liquid-Regular Plan- Growth (Fair Market Value Rs 959,875/- as on March 31, 2012)				
	Total (A+B)	97,498,200	97,498,200	700,000	700,000

Scantech Evaluation Services Limited
Notes to the financial statements for the year ended March 31, 2013

11	LOANS AND ADVANCES	Long Term		Short Term	
		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
i)	Loans and advances to related parties				
	Unsecured, considered good				
	Loans	-	-	175,500,000	158,100,000
	Interest on ICD	-	-	11,637,145	7,689,974
	(A)	-	-	187,137,145	165,789,974
ii)	Other Advances				
	Advance Tax	9,277,390	12,748,002	-	-
	Less : Provision for Tax	(9,060,649)	(12,700,446)	-	-
		216,741	47,556	-	-
	(B)	216,741	47,556	-	-
	Total (A+B)	216,741	47,556	187,137,145	165,789,974

Scantech Evaluation Services Limited
Notes to the financial statements for the year ended March 31, 2013

12	Cash and Bank Balances	Current	
		As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
	Cash and cash equivalents:		
	Balance with banks		
	Current Accounts	1,551,334	3,561,615
	Cash on hand	6	6
		1,551,340	3,561,621

13	Other Income	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
	Interest Income*	15,633,855	14,381,271
	Dividend Income from Long Term Investments	115,947,840	108,701,100
		131,581,695	123,082,371

* Interest income is gross of tax deducted at source

14	Employee Benefits Expenses	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
	Salaries and Benefits	1,106,181	1,411,168
		1,106,181	1,411,168

15	Other Expenses	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
	Legal and Professional (Refer Note 15.1 below)	167,416	250,163
	Management Cost Recovery by Holding Company	60,274	45,061
	Bank Charges	562	35,252
	Sundry Expenses	2,850	2,598
		231,102	333,074

15.1	Payment to Auditors	Year ended March 31, 2013 Rs.	Year ended March 31, 2012 Rs.
	As Auditor		
	Audit fee	60,000	60,000
	Tax Audit fees	30,000	30,000
	Others	10,000	10,000
	Reimbursement of expenses (including Service Tax)	12,360	12,360
		112,360	112,360

Scantech Evaluation Services Limited**Notes to the financial statements for the year ended March 31, 2013****16 Taxation**

Deferred Tax Asset / Liability has not been recognized as there are no material timing differences resulting in difference between book profit and profit computed as per Income Tax Act, 1961.

17 Earnings Per Share

Particulars	Year ended	Year ended
	March 31, 2013	March 31, 2012
Profit attributable to Equity shareholders (Rs.) –(A)	125,441,210	117,470,699
Weighted Average number of Equity shares Outstanding during the year (Nos.) – (B)	9,910,000	9,910,000
Nominal Value of Equity Shares (Rs.)	10/-	10/-
Basic/Diluted Earnings per share (Rs) (A/B)	12.66	11.85

There are no potential dilutive shares as at the year-end. Accordingly, basic and diluted earnings per share are the same.

18 Related Party Disclosures**RELATED PARTY TRANSACTIONS AS PER ACCOUNTING STANDARD 18:****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 NIIT Institute of Finance Banking and Insurance Training Limited
- 4 NIIT Yuva Jyoti Limited
- 5 NIIT Institute of Process Excellence Limited
- 6 Evolv Services Limited
- 7 NIIT Ltd, UK
- 8 NIIT Antilles NV, Netherlands Antilles
- 9 NIIT Malaysia Sdn. Bhd, Malaysia
- 10 NIIT GC Ltd (formerly NIIT TVE Ltd, Mauritius)
- 11 NIIT China (Shanghai) Limited, Shanghai, China
- 12 NIIT Wu Xi Service Outsourcing Training School, China
- 13 Chongqing NIIT Education Consulting Limited, China
- 14 Wu Xi NIIT Information Technology Consulting Limited, China
- 15 Changzhou NIIT Information Technology Consulting Limited, China
- 16 Su Zhou NIIT Information Technology Consulting Ltd, China
- 17 NIIT (USA) Inc, USA
- 18 NIIT Ventures Inc, USA
- 19 Element K Corporation, USA
(ceased to be fellow subsidiary company w.e.f. October 14,2011)
- 20 Element K India Private Limited, India
(ceased to be fellow subsidiary company w.e.f. October 14,2011)
- 21 Element K (UK) Limited, United Kingdom
(ceased to be fellow subsidiary company w.e.f. October 14,2011)
- 22 Element K, Canada
(ceased to be fellow subsidiary company w.e.f. October 14,2011)
- 23 NIIT West Africa Limited, Nigeria
- 24 Qingdao NIIT Information Technology Co., Ltd. (w.e.f. May 14, 2012), China
- 25 Chongqing An Dao Education Consulting Limited (w.e.f. June 5, 2012), China
- 26 Zhangjiagang NIIT Information Services Ltd. (w.e.f. September 1, 2012), China
- 27 Chengmai NIIT information technology Co., LTD (w.e.f December 19, 2012), China

a) Associates (parties in which the company has substantial interest):

NIIT Technologies Limited

b) Key Managerial Personnel

Ravi Krishnamacharya - Manager (upto January 1, 2013)

Scantech Evaluation Services Limited**Notes to the financial statements for the year ended March 31, 2013****C. Details of significant transactions with related parties described above carried out on an arm's length basis:****(Amount in Rs.)**

Nature of Transactions	Holding Company	Associates	Key Managerial Personnel	Grand Total
Inter Corporate Deposits Given	175,500,000 (126,000,000)	Nil (Nil)	Nil (Nil)	175,500,000 (126,000,000)
Inter Corporate Deposits given received back	126,000,000 (Nil)	Nil (Nil)	Nil (Nil)	126,000,000 (Nil)
Dividend Proposed	95,136,000 (91,172,000)	Nil (Nil)	Nil (Nil)	95,136,000 (91,172,000)
Loans Given Received back	32,100,000 (116,500,000)	Nil (Nil)	Nil (Nil)	32,100,000 (116,500,000)
Dividend Income	Nil (Nil)	115,947,840 (108,701,100)	Nil (Nil)	115,947,840 (108,701,100)
Remuneration Paid	Nil (Nil)	Nil (Nil)	1,016,181 (1,354,908)	1,016,181 (1,354,908)
Interest Income	15,633,855 (14,338,861)	Nil (Nil)	Nil (Nil)	15,633,855 (14,338,861)
Management Cost Recovery	60,274 (45,061)	Nil (Nil)	Nil (Nil)	60,274 (45,061)

Previous year figures are given in parenthesis

D. Details of outstanding balances with related parties:

Particulars	Holding Company (Rs.)	
	As at March 31, 2013	As at March 31, 2012
Loans/ Inter Corporate Deposits Given	175,500,000	158,100,000
Receivables	11,637,145	7,689,974
Payables (Including Dividend)	95,237,364	91,220,619

19 Dues to micro and small enterprises

Amounts outstanding as payable to any Micro enterprises and Small enterprises as at 31st March 2013 is Rs. Nil (Previous year Rs. Nil).

- 20** Previous year figures have been reclassified to confirm the current year classification. Reclassification of previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Signatures to Notes '1' to '20' of these Financial Statements.

For and on behalf of the Board

For **Ghosh Khanna & Co.**

Firm Registration No.: 003366N

Chartered Accountants

Amit Mittal

Partner

Membership No.- 508748

Rajendra S Pawar

Director

DIN - 00042516

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Avika Kapoor
Company Secretary

Place : Gurgaon

Dated : May 13, 2013