

NIIT Institute of Finance Banking and Insurance Training Limited

Balance Sheet as at March 31, 2014

	PARTICULARS	Notes	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital	3	101,125,000	101,125,000
	Reserves and surplus	4	(34,943,081)	(135,170,603)
2	Non-current liabilities			
	Other Long term liabilities	6	850,000	925,000
3	Current liabilities			
	Trade Payables	5	66,123,881	124,788,030
	Other current liabilities	6	34,783,550	28,906,711
	Short-term provisions	7	5,690,545	3,887,780
	TOTAL		173,629,895	124,461,918
II	ASSETS			
1	Non-current assets			
	Fixed assets	8		
	Tangible assets		10,196,148	13,839,535
	Intangible assets		18,086,902	10,459,103
	Intangible assets under development	9	-	4,951,375
	Long-term loans and advances	11	32,557,838	22,864,964
	Other non-current assets	13	127,293	31,659
2	Current assets			
	Inventories	14	3,161,853	3,622,324
	Trade receivables	12	42,533,322	22,623,505
	Cash and bank balances	15	50,885,143	21,555,510
	Short-term loans and advances	11	15,292,745	17,850,995
	Other current assets	13	788,651	6,662,948
	TOTAL		173,629,895	124,461,918

The accompanying Notes are integral part 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. : 087191
Place : Gurgaon
Date : May 16, 2014

P Rajendran
Director
DIN : 00042531

Vijay K Thadani
Director
DIN : 00042527

Bimal K Jain
Manager

Anshul Arora
Chief Financial Officer

K Randhir Singh
Company Secretary

NIIT Institute of Finance Banking and Insurance Training Limited

Statement of Profit & Loss for the year ended March 31, 2014

	PARTICULARS	Notes	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	INCOME			
I.	Revenue from Operations	17	638,137,951	398,192,737
II.	Other Income	18	2,246,242	553,861
III.	Total Revenue (I + II)		640,384,193	398,746,598
IV.	EXPENDITURE			
	Purchase of Traded Goods		8,660,843	9,200,926
	(Increase) / Decrease in Inventory	14	460,471	(363,807)
	Outsourced Professional Faculty		80,445,563	53,026,554
	Employee Benefits Expenses	19	93,121,155	84,625,524
	Other Expenses	21	340,648,375	235,518,698
	Finance Costs	23	16,384	448,553
	Depreciation and Amortization Expenses	8	12,793,902	13,046,794
	Total Expenses		536,146,693	395,503,242
V.	Profit before tax (III- IV)		104,237,500	3,243,356
VI.	Tax expense/ (credit):			
	Current Tax		9,382,985	-
	MAT Credit Entitlement		(5,373,007)	1,611,184
VII.	Profit for the year		100,227,522	1,632,172
VIII.	Earnings per equity share (Face Value Rs.10 each):			
	Basic	24	9.91	0.16
	Diluted		9.91	0.16

The accompanying Notes are integral part of these Financial Statements.

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

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NIIT Institute of Finance Banking and Insurance Training Limited
Cash Flow Statement for the year ended March 31, 2014

	Particulars	Year ended March 31, 2014 Rs.		Year ended March 31, 2013 Rs.	
A.	CASH FLOW FROM OPERATING ACTIVITIES:				
	Profit/ (Loss) before Tax		104,237,500		3,243,356
	Adjustments for:				
	Depreciation and Amortisation	12,793,902		13,046,794	
	Interest Expenses	16,384		448,553	
	Interest Income	(1,556,613)		(258,716)	
	(Profit)/ Loss on Fixed Assets sold	(106,820)		-	
	Provision for Doubtful Debts	1,826,971		759,902	
	Provision for slow / non-moving Inventory	(152,406)		486,788	
	Liability written back to the extent no longer required	(510,809)		(291,470)	
	Provision for Gratuity & Compensated Absences	1,802,765		1,103,322	
	Foreign Exchange fluctuation	(21,555)	14,091,819	7,414	15,302,587
	Operating profit before working capital changes		118,329,319		18,545,943
	Add / (Less): (Increase)/ Decrease in operating working capital:				
	Increase/(Decrease) Trade Payables	(58,141,127)		29,140,123	
	Increase/(Decrease) Other Current Liabilities	10,573,450		12,527,438	
	Increase/(Decrease) Other Long Term Liabilities	(75,000)		-	
	Decrease/(Increase) Trade Receivables	(21,727,446)		(16,866,242)	
	Decrease/(Increase) Inventories	612,877		(850,595)	
	Decrease/(Increase) Short Term Loans and Advances	2,558,250		(1,477,252)	
	Decrease/(Increase) Long Term Loans and Advances	4,873,118		(4,064,380)	
	Decrease/(Increase) Other Current Assets	6,662,948		(6,562,948)	
	Decrease/(Increase) Other Bank Balances	(30,000,000)		-	
	Decrease/(Increase) Other Non-current Assets	(109,042)		-	
			(84,771,972)		11,846,144
	Cash generated from operations		33,557,347		30,392,087
	Taxes paid (including TDS)		(18,802,639)		(4,765,035)
	Net cash from Operating activities (A)		14,754,708		25,627,052
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of Fixed Assets (including internally developed intangibles and Capital advances)		(16,797,007)		(13,441,790)
	Proceeds from sale of Fixed Assets		606,947		-
	Interest Received		781,370		241,500
	Net cash used for Investing activities (B)		(15,408,690)		(13,200,290)
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Interest Paid		(16,384)		(448,553)
	Net cash from / (used in) Financing activities (C)		(16,384)		(448,553)
	Net Increase/(Decrease) in Cash & Cash equivalents (A) + (B) + (C)		(670,366)		11,978,209
	Cash and Cash equivalents as at the beginning of the year (Note 1)		21,555,509		9,577,301
	Cash and cash equivalents as at the end of the year (Note 1)		20,885,143		21,555,510

Contd...

Notes:

1	Cash and cash equivalents at year end	March 31, 2014 Rs.		March 31, 2013 Rs.	
	Cash and Cheques on hand Balances with banks		2,140,734		3,773,061
			18,744,409		17,782,449
			20,885,143		21,555,510

- 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
- Figures in parenthesis indicate cash outflow.

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

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NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

1 BACKGROUND OF THE COMPANY

NIIT Institute of Finance Banking and Insurance Training Limited ('the Company') was incorporated on June 14, 2006 with equity participation from 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 have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to the circular 15/2013 dated September 13, 2013 read with circular 08/2014 dated April 4, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other 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 Revised 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

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Losses arising from the retirement of , and gains or losses arising from disposal of fixed assets which are carried at cost, are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets or the rates prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher, as follows:

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	7-10 years
Leasehold Improvements	3-5 years or lease period, whichever is shorter
Assets under employee benefits scheme	3 years
All other assets	Rates prescribed under Schedule XIV to the Companies Act, 1956

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

iii) Intangible Fixed Assets and 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". Expenses incurred during the research phase till the establishment of commercial feasibility is charged to the Statement of Profit and Loss.

Intangible Fixed Assets are stated at acquisition cost or at cost incurred on internal development of such assets, net of accumulated amortisation and accumulated impairment losses, if any.

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

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 and deferred tax assets, 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) 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.

vi) 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 and training is recognized over the period of the course commencing from the start of the batch. Revenue in respect of services from licensing is recognized over the period of the respective contracts.

vii) Other Income

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

viii) 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 (Using the Projected Unit Credit method) 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.

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

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 (Using the Projected Unit Credit method) 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 based on the actuarial valuation.

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 obligation beyond its contributions.

Provident Fund

In respect of employees deputed from the Holding Company, the Company contributes to the trust set up by the Holding Company. The Company's obligation is actuarially determined (using Projected Unit Credit method) and provided for if the circumstances indicate that the trust may not be able to earn adequate return to cover the interest rate notified by the Government. The Company's contribution is charged to the Statement of Profit and Loss. The 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 the Statement of Profit and Loss as a defined contribution plan.

Pension Scheme

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.

ix) 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.

x) 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.

xi) 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 intended use, in which case, these are capitalised.

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

xii) 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 recognised for financial reporting purposes and the amounts that are recognised 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 measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws. Minimum Alternate Tax credit is recognised as asset only when and to the extent, there is convincing evidence that the Company will pay tax as per the normal provisions of the Income Tax Act, 1961 during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

xiii) 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.

xiv) 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 potential dilutive equity shares.

xv) 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.

3	SHARE CAPITAL	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Authorised 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
		110,000,000	110,000,000
	Issued 10,112,500 Equity shares of Rs.10/- each (Previous year 10,112,500 Equity Shares of Rs. 10/- each)	101,125,000	101,125,000
		101,125,000	101,125,000
	Subscribed and paid up 10,112,500 Equity shares of Rs.10/- each fully paid up (Previous year 10,112,500 Equity Shares of Rs. 10/- each fully paid up)	101,125,000	101,125,000
		101,125,000	101,125,000

3.1	Reconciliation of the number of shares outstanding	As at March 31, 2014		As at March 31, 2013	
		No. of shares	Value Rs.	No. of shares	Value Rs.
	Equity Shares Shares outstanding at the beginning and at the end of the year	10,112,500	101,125,000	10,112,500	101,125,000
	Shares outstanding at the end of the year	10,112,500	101,125,000	10,112,500	101,125,000

3.2	Shares in respect of each class in the company held by	Name of the company	Class of shares Equity/ Preference	As at March 31, 2014 No. of shares	As at March 31, 2013 No. of shares
	Holding company	NIIT Limited	Equity	8,120,834	8,050,000

3.3	Shares held by each shareholder holding more than 5% shares	As at March 31, 2014		As at March 31, 2013	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares				
	NIIT Limited	80.31%	8,120,834	79.60%	8,050,000
	ICICI Bank Limited	18.79%	1,900,000	18.79%	1,900,000

3.4 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. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their holding.

NIIT Institute of Finance Banking and Insurance Training Limited

Notes to the Financial Statements for the year ended March 31, 2014

4	RESERVES AND SURPLUS	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Surplus/ (Deficit) in Statement of Profit and Loss		
	Balance as at beginning of the year	(135,170,603)	(136,802,775)
	Add : Profit for the year	100,227,522	1,632,172
	Closing Balance at year end	(34,943,081)	(135,170,603)

5	TRADE PAYABLES	Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Sundry Creditors		
	- Due to Micro, Small and Medium Enterprises (Also refer Note 30)	-	63,346
	- Due to Others	66,123,881	124,724,684
		66,123,881	124,788,030

6	OTHER LIABILITIES	Long Term Liabilities		Current Liabilities	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Security Deposits	850,000	925,000	-	-
	Deferred Revenue	-	-	1,791,048	848,734
	Advances from Customers	-	-	18,350,436	8,155,774
	Payable to Employees	-	-	7,624,233	8,513,345
	Statutory Dues	-	-	7,017,833	6,692,247
	Other Payables*	-	-	-	4,696,611
		850,000	925,000	34,783,550	28,906,711

* Other Payables are towards purchases of fixed assets.

7	PROVISIONS	Short-Term	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Employee benefits (refer note 20)		
	Provision for Gratuity	1,241,675	779,780
	Provision for Compensated Absences	4,448,870	3,108,000
		5,690,545	3,887,780

8 FIXED ASSETS (TANGIBLE AND INTANGBILE)

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	Cost As on April 1, 2013	Additions during the year	Sales / Adj. during the year	Total as on March 31, 2014	As on April 1, 2013	For the year	Sales / Adj. during the year	Total as on March 31, 2014	As on March 31, 2014	As on March 31, 2013
<u>i) Tangible</u>										
Plant & Equipment	33,252,453	1,072,945	395,404	33,929,994	26,961,858	1,707,677	233,063	28,436,472	5,493,522	6,290,595
Office Equipments	3,446,283	51,425	682,622	2,815,086	2,399,971	385,562	515,003	2,270,530	544,556	1,046,312
Leasehold Improvements	24,106,435	543,451	538,998	24,110,888	19,176,686	1,955,041	433,798	20,697,929	3,412,959	4,929,749
Furniture & Fixtures	7,775,973	144,012	573,876	7,346,109	6,203,094	906,814	508,910	6,600,998	745,111	1,572,879
<i>Sub Total (a)</i>	68,581,144	1,811,833	2,190,900	68,202,077	54,741,609	4,955,094	1,690,774	58,005,929	10,196,148	13,839,535
<u>ii) Intangible</u>										
Content										
- Internally generated (refer note 1 below)	49,413,920	15,466,607	-	64,880,527	39,617,624	7,485,479	-	47,103,103	17,777,424	9,796,296
- Acquired	490,885	-	-	490,885	204,800	163,669	-	368,469	122,416	286,085
Software										
- Acquired	9,296,654	-	-	9,296,654	8,919,932	189,660	-	9,109,592	187,062	376,722
<i>Sub Total (b)</i>	59,201,459	15,466,607	-	74,668,066	48,742,356	7,838,808	-	56,581,164	18,086,902	10,459,103
Total (a+b)	127,782,603	17,278,440	2,190,900	142,870,143	103,483,965	12,793,902	1,690,774	114,587,093	28,283,050	24,298,638
Previous Year	118,571,546	9,211,057	-	127,782,603	90,437,171	13,046,794	-	103,483,965	24,298,638	
iii) Intangible assets under development									-	4,951,375

Notes:

1 Depreciation for the year includes impairment charge of Rs.1,464,616/- (Previous year Nil) in respect of internally generated content.

2 Intangibles include content and software whose remaining amortization period is 1 to 3 years. However, none of these are individually material to the financial statements as a whole other than the content amounting to Rs. 13,196,669/- for banking sector in Nigeria.

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

9	Costs incurred on development of intangible assets		
	The Company develops courseware content for its new training programs to meet the industry needs and demand and is expected to enhance the marketability and revenue generating capacity of the Company. The Company is confident of ability to generate future economic benefits from these assets. The costs incurred during the year towards the development is as follows :		
Description	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)	
Salary and other Employee Benefits	2,444,498	1,727,743	
Professional Services	8,001,535	7,278,614	
Travel	61,212	95,051	
Other Expenses	7,987	3,000	
Total costs capitalized during the year	10,515,232	9,104,408	

10 Deferred tax asset (net) has not been recognised as a matter of prudence.

11	LOANS AND ADVANCES	Long Term		Short Term	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
i)	Capital Advances				
	Unsecured, considered good	-	226,669	-	-
	(A)	-	226,669	-	-
ii)	Security Deposits				
	Unsecured, considered good	6,464,138	11,337,256	3,315,000	1,086,300
	(B)	6,464,138	11,337,256	3,315,000	1,086,300
iii)	Advances recoverable in cash or in kind				
	Unsecured, considered good*	-	-	11,977,745	16,764,695
	(C)	-	-	11,977,745	16,764,695
iv)	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)	-	-
		170,301	170,301	-	-
b)	Advance Tax	29,933,377	11,130,738	-	-
	Less : Provision for Tax	(9,382,985)	-	-	-
		20,550,392	11,130,738	-	-
c)	MAT Credit entitlement	5,373,007	-		
		5,373,007	-	-	-
	(D)	26,093,700	11,301,039	-	-
	Total (A+B+C+D)	32,557,838	22,864,964	15,292,745	17,850,995

*Advances recoverable include input service tax credit aggregating to Rs.8,521,234/- (Previous year Rs.15,051,480/-).

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

12	TRADE RECEIVABLES	Non Current		Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
a)	Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
	Unsecured, considered good		-	5,985,207	2,268,566
	Unsecured, considered doubtful	7,970,226	6,196,784	-	-
	Less: Provision for doubtful debts	(7,970,226)	(6,196,784)	-	-
		-	-	5,985,207	2,268,566
b)	Other Trade Receivables				
	Unsecured, considered good	-	-	36,548,115	20,354,939
	Unsecured, considered doubtful	53,529	-	-	-
	Less: Provision for doubtful debts	(53,529)	-	-	-
		-	-	36,548,115	20,354,939
	Grand Total	-	-	42,533,322	22,623,505

12.1	PROVISION FOR DOUBTFUL DEBTS	Non Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Opening Provision	6,196,784	5,436,882
	Add: Additional Provision	1,826,971	759,902
	Closing Provision	8,023,755	6,196,784

13	OTHER ASSETS	Non Current		Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Interest Receivable	18,251	31,659	788,651	-
	Unbilled Revenue	-	-	-	6,562,948
	Bank Deposits (refer note 15)	109,042	-	-	100,000
		127,293	31,659	788,651	6,662,948

14	INVENTORIES	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	As at end of the year		
	Traded Goods		
	Education and Training Material*	3,161,853	3,622,324
		3,161,853	3,622,324
	As at the beginning of the year		
	Traded Goods		
	Education and Training Material	3,622,324	3,258,517
		3,622,324	3,258,517
	(Increase) / Decrease in Inventory	460,471	(363,807)

* Net of provision for non- moving inventories of Rs. 334,382/- (Previous year Rs. 486,788/-)

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

15	CASH AND BANK BALANCES	Current		Non Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Cash and cash equivalents:				
	Balance with banks				
	Current Accounts	18,744,409	17,782,449	-	-
	Cash on hand	1,070,862	1,534,641	-	-
	Cheques on hand	1,069,872	2,238,420	-	-
		20,885,143	21,555,510	-	-
	Other bank balances:				
	Bank deposits:				
	With original maturity of more than 3 months and upto 12 months	30,000,000	-	-	-
	With original maturity of more than 12 months	-	-	109,042	100,000
		30,000,000	-	109,042	100,000
		50,885,143	21,555,510	109,042	100,000
	Amount disclosed under non-current assets (refer note 13)	-	-	(109,042)	(100,000)
		50,885,143	21,555,510	-	-

16 Contingent Liabilities:

- (a) In respect of student claims not acknowledged as debts Rs. 5,39,472/- (Previous year Rs.323,500/-).
- (b) In respect of demand raised for Service Tax Rs. 32,352,344/- (Previous year Rs. 32,352,344/-).
- Management does not foresee any cash outflow in respect of the above based on advice of legal counsel.

17	REVENUE FROM OPERATIONS	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	Revenue		
	Tution and Training Fee	348,633,322	182,340,820
	Consultancy Services	819,746	120,000
	Courseware Sales	284,512,645	213,344,417
	License Fee	4,172,238	2,387,500
		638,137,951	398,192,737

18	OTHER INCOME	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	Interest Income*	1,556,613	258,716
	Profit on Sale of Fixed Assets (Net)	106,820	-
	Liability written back to the extent no longer required	510,809	291,470
	Other non-operating income	72,000	3,675
		2,246,242	553,861

*Includes interest pertaining to prior period Rs.333,168/-(Previous year Nil)

19	EMPLOYEE BENEFITS EXPENSES	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	Salaries and Benefits	86,717,360	79,269,430
	Contribution to Provident and Other Funds (Refer Note 20)	3,518,235	3,321,246
	Welfare and Other expenses	2,885,560	2,034,848
		93,121,155	84,625,524

20 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, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Employers Contribution to Provident Fund	1,571,430	1,301,420
Employers Contribution to Superannuation Fund	310,663	375,984
Employers Contribution to Pension Scheme	801,111	663,081

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, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Employers Contribution to Superannuation Fund	166,062	184,045
Employers Contribution to Pension Scheme	12,984	27,602

The contributions, made to the respective Trusts by the sponsoring employer, the Holding company, for the respective plans, are recovered from the Company. As the actuarial risks in respect of such employees are borne by the Holding company, the benefit has been accounted and disclosed as defined benefit 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, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Employers Contribution to Provident Fund	245,508	178,027
Employers Contribution to Superannuation Fund	-	71,234
Employers Contribution to Pension Scheme	6,492	6,947

B) Defined Benefit Plans

1. Provident Fund

The Company makes contributions to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"), in respect of employees deputed from the Holding Company. The plan has been classified as a Defined Benefit plan in accordance with AS-15 'Employee Benefits'. During the year the Company contributed Rs.200,469/- (Previous year Rs. 339,005/-) to the Trust which has been charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Company's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Based on actuarial valuation carried out, there is no shortfall to be provided by the Company.

The details of fund and plan assets of the Trust as at the year end (as provided by the actuary):

i.Change in Defined Benefit Obligation :

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Present Value of obligation at the beginning of the year	55,880	65,560
Current service cost	10,450	14,020
Interest Cost	4,610	5,640
Actuarial (gain)/ loss on obligation	(17,210)	(29,340)
Present value of obligation at the end of the year	53,730	55,880

ii.Change in Fair Value of Assets :

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Fair value of Plan Assets at the beginning of the year	581,120	330,270
Actuarial gain/ (loss) on Plan Assets	(108,710)	250,850
Fair value of Plan Assets at the end of the year	472,410	581,120

iii.Estimated Net Asset/(Liability) recognized in the Balance Sheet as at the year end

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Present Value of defined benefit obligation	53,730	55,880
Fair value of Plan Assets	472,410	581,120
Funded Status surplus/(deficit)	418,680	525,240
Net Asset/ Liability	-	-

iv.Assumptions used in accounting for provident fund

Discount Rate (Per annum)	9.25%	8.25%
Expected return on plan assets	8.60%	8.60%
Expected guaranteed interest rate	8.75% for the next year & 8.6% thereafter	8.60%

2. Compensated Absences

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
i.Change in Present value of Obligation :		
Present Value of obligation at the beginning of the year	3,108,000	2,408,000
Current service cost	1,543,720	1,185,680
Interest Cost	256,410	207,090
Actuarial (gain)/ loss on obligation	(459,260)	(692,770)
Present value of obligation at the end of the year	4,448,870	3,108,000
Amount charged to the Statement of Profit and Loss (Under Salaries and Benefits)	1,340,870	700,000
ii.Assumptions used in accounting for Compensated Absences :		
Discount Rate (per annum)	9.25%	8.25%
Future Salary Increase	10% p.a. for first 5 Years and 7% p.a. thereafter	10% p.a. for first 5 Years and 7% p.a. thereafter

3. Gratuity Fund (Defined Benefit Plan):

In accordance with accounting standard 15 (revised 2005), an actuarial valuation was carried out in respect of contribution to Gratuity

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
i. Change in benefit obligation:-		
Present Value of Obligation at the beginning of the Year	1,835,995	1,395,995
Interest cost	120,990	111,100
Current service cost	446,425	321,860
Acquisition Cost	253,440	-
Actuarial (gain)/ loss on Obligations	108,990	215,250
Benefit paid	(738,980)	(208,210)
Present value of obligation as at the End of the Year	2,026,860	1,835,995
ii. Change in Plan Assets:-		
Fair value of Plan Assets at the beginning of the year	1,056,215	1,019,537
Expected return on Plan Assets	72,240	93,220
Contributions	163,660	152,630
Acquisition Cost	253,440	-
Actuarial gain/ (loss) on Plan Assets	(21,390)	(962)
Benefit paid	(738,980)	(208,210)
Fair value of Plan Assets at the end of the year	785,185	1,056,215

iii. Amount of Liability recognized at the year end

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)	As at March 31, 2010 (Rs.)
Fair value of Plan Assets	785,185	1,056,215	1,019,537	556,327	314,038
Present value of obligation*	2,026,860	1,835,995	1,395,995	1,123,000	961,203
Net Liability as at year end	1,241,675	779,780	376,458	566,673	647,165

* Does not include liabilities towards employees on deputation.

iv. Net Gratuity Cost recognized in Statement of Profit and Loss:-

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Current service cost	446,425	321,860
Interest Cost	120,990	111,100
Expected return on Plan Assets	(72,240)	(93,220)
Net Actuarial (gain)/ loss recognized during the year	130,380	216,212
Cost recovered by holding company for employees on deputation	9,012	85,803
Expense recognized in the Statement of Profit and Loss*	634,567	641,755

*Includes Rs.38,162/- (Previous year Rs.46,515/- Credit) towards contribution for Key Managerial Personnel.

v. Assumptions used in accounting for gratuity liability:-

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Discount Rate (per annum)	9.25%	8.60%
Future Salary Increase	5.00%	5.00%
Expected Rate of Return on Plan Assets	9.40%	9.40%

Actuary's best estimate of contribution for the next year is Rs. 1,729,000/- (Previous year Rs. 1,234,000/-).

Investment details of plan assets:

During the year, the Company has contributed to the Gratuity fund of the holding company, maintained accordingly, 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.

Note: The estimate of future salary increases, considered in all actuarial valuations, takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

21	OTHER EXPENSES	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	Equipment and Infrastructure Hiring	120,056,378	70,405,381
	Royalties	10,283,717	5,546,400
	Freight and Cartage	1,078,074	1,688,785
	Rent (net of recoveries)	30,120,095	29,099,291
	Rates and Taxes	1,086,794	697,250
	Power & Fuel	9,008,847	8,844,682
	Communication	3,433,119	2,479,328
	Legal and Professional (refer Note 22)	5,446,755	4,050,862
	Management Cost Recovery by Holding Company	16,821,158	13,451,569
	Travelling and Conveyance	14,070,765	10,305,666
	Provision for Doubtful Debts	1,826,971	759,902
	Insurance	243,953	161,075
	Repairs and Maintenance		
	- Plant and Machinery	2,209,627	1,608,678
	- Buildings	135,666	256,661
	- Others	5,887,138	5,381,817
	Consumables	8,915,300	2,762,154
	Loss on foreign currency translation and transaction (net)	11,993	7,414
	Security and Administration Services	3,008,117	3,083,476
	Bank Charges	1,594,973	1,109,703
	Advertisement and Publicity	97,813,445	70,398,186
	Other Marketing Expenses	2,518,239	467,028
	Sundry Expenses	5,077,251	2,953,390
		340,648,375	235,518,698

22	PAYMENT TO AUDITORS	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	As auditor:		
	Statutory Audit	850,000	750,000
	Tax Audit	100,000	90,000
	Other services	50,000	-
	Reimbursement of expenses (including Service Tax)	160,113	148,262
		1,160,113	988,262

23	FINANCE COSTS	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
	Interest- others	16,384	448,553
		16,384	448,553

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

24 EARNINGS PER SHARE

Particulars	Year Ended 31st March, 2014 (Rs.)	Year Ended 31st March, 2013 (Rs.)
Profit attributable to Equity Shareholders (Rs.) – (A)	100,227,522	1,632,172
Weighted Average number of Equity shares Outstanding during the year - (B)	10,112,500	10,112,500
Nominal Value of Equity Shares (Rs.)	10/-	10/-
Basic and Diluted Earnings per share (Rs) (A/B)	9.91	0.16

As there are no dilutive securities at the year end, the basic and diluted earnings per share are same.

25 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 Scantech Evaluation Services Ltd
- 3 NIIT Yuva Jyoti Limited
- 4 NIIT Institute of Process Excellence Limited
- 5 Hole In The Wall Education Ltd.
- 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), 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 Limited, China
- 17 NIIT (USA) Inc, USA
- 18 NIIT Ventures Inc, USA
- 19 PT NIIT Indonesia, Indonesia (Under Liquidation)
- 20 NIIT West Africa Limited, Nigeria
- 21 Qingdao NIIT Information Technology Co., Ltd. , China, (w.e.f. May 14, 2012)
- 22 Chongqing An Dao Education Consulting Limited, China, (w.e.f. June 5, 2012)
- 23 Zhangjiagang NIIT Information Services Ltd. , China, (w.e.f. September 1, 2012)
- 24 Chengmai NIIT information technology Co., Ltd., China, (w.e.f. December 19, 2012)

C. Key Managerial Personnel :

- Mr. S. Venkatesh (upto December 17, 2012) - Whole-time Director
- Mr. Bimal K Jain (w.e.f. December 17, 2012) - Manager

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.)
Services Received (Refer Note a below)				
Employee Benefits Expenses	Nil (Nil)	147,078 (Nil)	Nil (Nil)	147,078 (Nil)
Other Expenses	11,806,015 (6,127,999)	Nil (Nil)	Nil (Nil)	11,806,015 (6,127,999)
Outsourced Professional Faculty (including TIRM)	Nil (Nil)	849,740 (354,799)	Nil (Nil)	849,740 (354,799)
Recovery of Expenses From				
Employee Benefits Expenses	Nil (499,197)	Nil (Nil)	Nil (Nil)	Nil (499,197)
Other Expenses	8,807,388 (7,130,697)	Nil (Nil)	Nil (Nil)	8,807,388 (7,130,697)
Services Rendered (Revenue) (Refer Note b below)	5,076,638 (6,214,781)	3,216,000 (640,000)	Nil (Nil)	8,292,638 (6,854,781)
Sale of Goods (Revenue)	Nil (1,864,000)	Nil (Nil)	Nil (Nil)	Nil (1,864,000)
Management Charges (Other Expenses)	16,821,158 (13,451,569)	Nil (Nil)	Nil (Nil)	16,821,158 (13,451,569)
Recovery of Expenses by (Refer Note c below)				
Employee Benefits Expenses	288,304 (452,103)	Nil (Nil)	Nil (Nil)	288,304 (452,103)
Outsourced Professional Faculty	33,490 (Nil)	Nil (Nil)	Nil (Nil)	33,490 (Nil)
Other Expenses	30,141,932 (25,167,051)	Nil (72,505)	Nil (Nil)	30,141,932 (25,239,556)
Services received for development of intangible assets	Nil (3,159,788)	Nil (Nil)	Nil (Nil)	Nil (3,159,788)
Remuneration	Nil (Nil)	Nil (Nil)	6,744,949 7,011,747	6,744,949 7,011,747

E. Details of outstanding balances with related parties:

(Amount in Rs.)

Particulars	Payables As at 31.03.2014	Receivable As at 31.03.2014	Payables As at 31.03.2013	Receivable As at 31.03.2013
Holding Company	13,704,620	5,538,995	75,640,009	Nil
Key Managerial Personnel	363,696	27,278	129,485	Nil
Fellow Subsidiary (Refer Note d below)	2,200,754	494,413	358,787	Nil

Note :

a. Includes services received from:

- Evolv Services Limited Rs.253,281/- (Previous year Rs. 354,799/-).
- NIIT Institute of Process Excellence Limited Rs.236,800/- (Previous year Rs. Nil).
- NIIT Yuva Jyoti Limited Rs. 506,737/- (Previous year Rs. Nil).

b. Includes services rendered to:

- NIIT Institute of Process Excellence Limited Rs 3,216,000/- (Previous year Rs. 640,000/-).

c. Includes recovery of expenses by:

- NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 72,505/-).

d. Includes payable to:

- NIIT Institute of Process Excellence Limited Rs.1,711,030/- (Previous year Rs. Nil).
- NIIT Yuva Jyoti Limited Rs. 339,173/- (Previous year Rs. Nil).
- Evolv Services Limited Rs.150,551/- (Previous year Rs. Nil).
- Includes receivable from:
- NIIT Institute of Process Excellence Limited Rs.494,413/- (Previous year Rs. Nil).

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

26 Earnings in foreign currency

Particulars	Year ended on	Year ended on
	March 31, 2014	March 31, 2013
	(Rs.)	(Rs.)
Revenue	-	576,000
Total	-	576,000

27 Expenditure in foreign currency

Particulars	Year ended on	Year ended on
	March 31, 2014	March 31, 2013
	(Rs.)	(Rs.)
Outsourced Professional Faculty (capitalised as internally generated intangibles)	2,730,340	-
Total	2,730,340	-

28 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.

29 Leases - Operating

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

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

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
In respect of Premises (net)*	30,120,095	29,099,291

*The Company has recovered Rs.5,296,506/- (Previous year Rs.4,449,228/-) for sharing of premises.

30 Disclosure in respect of Micro, Small and Medium enterprises

Parties covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') have been identified based on the information available with the Company. Disclosure as per section 22 of the MSMED Act, 2006 are as follows:-

Particulars	As at March 31, 2014	As at March 31, 2013
a) the principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	-	63,346
ii) Interest thereon	-	-
b) the amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year	-	-
i) Principal amount	18,375	-
ii) Interest thereon	206	-
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

NIIT Institute of Finance Banking and Insurance Training Limited
Notes to the Financial Statements for the year ended March 31, 2014

31 Previous year figures have been reclassified to conform to current year classification.

Signature to Notes '1 to 31' of these financial statements.

For and on behalf of the Board

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

Usha Rajeev
Partner
Membership No. : 087191
Place : Gurgaon
Date : May 16, 2014

P Rajendran
Director
DIN : 00042531

Vijay K Thadani
Director
DIN : 00042527

Bimal K Jain
Manager

Anshul Arora
Chief Financial Officer

K Randhir Singh
Company Secretary