

NIIT YUVA JYOTI LIMITED
Balance Sheet as at March 31, 2014

Particulars	Note	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	190,323,950	88,323,950
Reserves and Surplus	4	(223,105,645)	(119,783,719)
Share Application Money Pending Allotment	5	41,000,000	30,000,000
Non-Current Liabilities			
Long-term Borrowings	6	142,642,256	79,642,256
Current Liabilities			
Trade Payables	7	19,865,014	17,101,271
Other Current Liabilities	8	127,777,894	28,110,595
Short-term Provisions	9	4,092,698	2,712,566
TOTAL		302,596,167	126,106,919
ASSETS			
Non-Current Assets			
Fixed Assets	10		
- Tangible Assets		18,610,908	22,239,793
- Intangible Assets		39,370,754	44,917,926
- Capital work-in-progress		206,400	655,896
- Intangible Assets under Development		13,586,247	6,960,600
Long-term Loans and Advances	11	4,007,446	3,530,038
Other Non-Current Assets	12	294,812	272,187
Current Assets			
Inventories	13	1,861,080	1,593,688
Trade Receivables	14	1,298,854	48,295
Cash and Bank Balances	15	208,618,364	36,389,418
Short-term Loans and Advances	11	12,056,819	8,453,006
Other Current Assets	12	2,684,483	1,046,072
TOTAL		302,596,167	126,106,919

The notes are an integral part of these financial statements

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

For and on behalf of the Board

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

Sanjay Bahl
Whole-time Director
DIN – 05155750

Vijay K Thadani
Director
DIN - 00042527

Usha Rajeev
Partner
Membership No. 087191

Sanjeev Dhar
Chief Financial Officer

Ashish Gupta
Company Secretary
Membership No. F7395

Place: New Delhi
Date: May 15, 2014

NIIT YUVA JYOTI LIMITED
Statement of Profit and Loss for the year ended March 31, 2014

Particulars	Note	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
INCOME			
Revenue from Operations	17	30,543,151	9,577,662
Other Income	18	1,752,814	4,539,753
Total Revenue		32,295,965	14,117,415
EXPENDITURE			
Purchase of Traded Goods		2,951,357	2,558,748
(Increase) / Decrease in Inventory	13	(267,392)	(817,820)
Professional and Technical Outsourcing Expenses		11,237,964	3,042,435
Employee Benefits Expense	19	58,532,527	48,093,315
Depreciation and Amortization Expense	10	20,722,452	15,301,383
Other Expenses	21	42,440,983	35,621,796
Total Expenses		135,617,891	103,799,857
(Loss) for the year		(103,321,926)	(89,682,442)
Earnings/(Loss) per equity share (Face Value Rs. 10/- each):	24		
- Basic		(6.94)	(10.15)
- Diluted		(6.94)	(10.15)

The 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 and on behalf of the Board

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

Sanjay Bahl
Whole-time Director
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Chief Financial Officer

Ashish Gupta
Company Secretary
Membership No. F7395

Place: New Delhi
Date: May 15, 2014

NIIT YUVA JYOTI LIMITED
Cash Flow Statement for the year ended March 31, 2014

	Particulars	For the year ended March 31, 2014 Rs.		For the year ended March 31, 2013 Rs.	
A.	CASH FLOW FROM OPERATING ACTIVITIES:				
	Profit/(Loss) before Tax		(103,321,926)		(89,682,442)
	Adjustments for:				
	Depreciation and Amortization	20,722,452		15,301,383	
	Interest Income	(1,391,806)		(4,420,033)	
	(Profit)/ Loss on Fixed Assets scrapped	-		2,273	
	Provision made/ (write back) for slow / non-moving Inventory	(3,215)		50,050	
	Advances written off	86,000	19,413,431	-	10,933,673
	Operating profit/(loss) before working capital changes		(83,908,495)		(78,748,769)
	Add / (Less): (Increase)/ Decrease in operating working capital:				
	Increase/(Decrease) Trade Payables	2,763,743		10,418,528	
	Increase/(Decrease) Short-term Provisions	1,380,132		1,420,899	
	Increase/(Decrease) Other Current Liabilities	103,110,068		18,595,730	
	(Increase)/Decrease Current Trade Receivables	(1,250,559)		(47,345)	
	(Increase)/Decrease Inventories	(264,177)		(867,870)	
	(Increase)/Decrease Short term Loans and Advances	(3,603,813)		(2,487,995)	
	(Increase)/Decrease Long term Loans and Advances	(193,868)		(1,763,150)	
	(Increase)/ Decrease in Other Current Assets	(1,880,019)		(608,083)	
	(Increase)/Decrease Other Non-current Assets	-		(150,000)	
	(Increase)/Decrease Other Bank Balances	(134,660,000)	(34,598,493)	(12,300,000)	12,210,714
	Cash generated from operations		(118,506,988)		(66,538,055)
	Taxes paid (including TDS)		(819,745)		(501,233)
	Net cash (outflow) from Operating activities (A)		(119,326,733)		(67,039,288)
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of Fixed Assets (including Capital Work-in-progress & Intangibles under development)		(20,715,110)		(47,601,751)
	Interest Received		1,610,789		4,346,206
	Net cash used for Investing activities (B)		(19,104,321)		(43,255,545)
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from issue of Share Capital/ Share Application Money		113,000,000		30,000,000
	Long-term Borrowing availed		63,000,000		-
	Net cash from / (used in) Financing activities (C)		176,000,000		30,000,000
	Net Increase/(Decrease) in Cash & Cash equivalents (A) + (B) + (C)		37,568,946		(80,294,833)
	Cash and Cash equivalents as at the beginning of the year (Note (a) below)		24,089,418		104,384,251
	Cash and cash equivalents as at the end of the year (Note (a) below)		61,658,364		24,089,418

Notes:

- a Cash and cash equivalents**
- | | | |
|--|-------------------------|-------------------------|
| Balance with Banks | As at
March 31, 2014 | As at
March 31, 2013 |
| - Current Accounts | 9,945,467 | 3,809,937 |
| - Bank deposits with original maturity of 3 months or less | 50,500,000 | 17,000,000 |
| Cash on hand | 792,338 | 277,441 |
| Cheques, drafts on hand | 420,559 | 3,002,040 |
| (Include Rs. 3,310,288/- (Previous year Rs. Nil) pertaining to amount earmarked for specific contract) | | |
| | 61,658,364 | 24,089,418 |
- b** 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.
- c** The notes are an integral part of these financial statements.

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

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

For and on behalf of the Board

Sanjay Bahl
Whole-time Director
DIN – 05155750

Vijay K Thadani
Director
DIN - 00042527

Usha Rajeev
Partner
Membership No. 087191
Place : New Delhi
Date: May 15, 2014

Sanjeev Dhar
Chief Financial Officer

Ashish Gupta
Company Secretary
Membership No. F7395

NIIT YUVA JYOTI LIMITED

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

1 GENERAL INFORMATION

NIIT Yuva Jyoti Limited (the 'Company'), was incorporated on May 25, 2011 and the certificate for commencement of business was granted to the Company on June 18, 2011. The Company is engaged in the business of skill building across India.

2 SIGNIFICANT ACCOUNTING POLICIES

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

i) Basis of Preparation of Accounts

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 presented 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 and Intangible Assets

a) 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 at the rates prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher, as follows:

Plant and Equipment including:	
- Computers, printers and related accessories	2-5 years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipment	8 years
Furniture and Fixtures	7-10 years
Leasehold Improvement	3-5 years or lease period, whichever is lower

b) Intangible Assets and Amortization

Expenses incurred on internal development of educational content and products are capitalised either individually or as a knowledge bank in the form of software, 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] and other relevant provisions of the Companies Act, 1956. 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, 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 the assets determined as follows:

a) Content and Tools internally generated	3-5 Years
b) Software	3-5 Years

iii) Impairment of Assets

All assets other than inventories 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.

iv) Inventory Valuation – Traded Goods

Inventories are stated at lower of cost and net realisable value. Cost is determined using weighted average method and includes applicable costs incurred in bringing inventories to their present location and condition.

NIIT YUVA JYOTI LIMITED

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

v) **Revenue Recognition**

The revenue in respect of sale of courseware, technical information and reference material (TIRM), hardware and other goods are recognized on dispatch / delivery of the material to the customer whereas the revenue from the tuition / training services is recognized over the period of the course programmes. Revenue in respect of other services is recognised on rendering services as per the terms of respective contracts.

vi) **Other Income**

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

vii) **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 Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by NIIT Limited ("Holding Company") with Life Insurance Corporation of India is additionally provided for.

The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC, as maintained by NIIT Limited is provided for in the books.

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 accumulated compensated absences is provided for those expected to be availed. The Company has benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation (using Projected Unit Credit method) at the end of the year. Actuarial losses / gains are charged / credited to the Statement of Profit and Loss in the year in which such losses / gains arise.

Superannuation

The Company makes contribution to the Trust established for the purpose by the Holding Company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations and such benefits is classified as defined contribution plan. Contributions made during the year are charged to the Statement of Profit and Loss.

Provident Fund

The Company makes defined contributions to a government administered Provident Fund where the Company has no further obligations, accordingly such benefit is classified as defined contribution plan. The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Pension Fund

The Company makes defined contributions to a government administered pension fund, where the Company has no further obligations, accordingly such benefit is classified as defined contribution plan. The Company's contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

viii) **Leases**

The Company has taken vehicles as well as premises on lease. Lease rental in respect of operating lease arrangements are charged as expense to Statement of Profit and Loss on a straight line basis over the period of the lease.

ix) **Taxation**

Tax expense, comprising of both current tax and deferred tax is included in determining the net results for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing tax laws. 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.

x) **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.

xi) **Earnings Per Share**

The earnings considered in ascertaining the Company's Earnings per share ('EPS') comprises the Profit/ (Loss) 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 dilutive potential equity shares, if any.

xii) **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.

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

3	Share Capital	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Authorised 30,000,000 Equity Shares of Rs. 10/- each (Previous year 20,000,000 Equity Shares of Rs. 10/- each)	300,000,000	200,000,000
		300,000,000	200,000,000
	Issued 19,032,395 Equity Shares of Rs. 10/- each (Previous year 8,832,395 Equity Shares of Rs. 10/- each)	190,323,950	88,323,950
		190,323,950	88,323,950
	Subscribed and Paid up 19,032,395 Equity Shares of Rs. 10/- each (Previous year 8,832,395 Equity Shares of Rs. 10/- each)	190,323,950	88,323,950
		190,323,950	88,323,950

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 of the year	8,832,395	88,323,950	8,832,395	88,323,950
	Shares issued during the year	10,200,000	102,000,000	-	-
	Shares outstanding at the end of the year	19,032,395	190,323,950	8,832,395	88,323,950

3.2	Rights, preferences and restrictions attached to Equity Shares :- 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 shareholding.
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3.3	Shares in respect of each class in the Company held by	Class of shares Equity/ Preference	As at March 31, 2014	As at March 31, 2013
			No. of shares	No. of shares
	Holding company - NIIT Limited	Equity	17,129,155	7,949,155

3.4	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company	As at March 31, 2014		As at March 31, 2013	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares				
	NIIT Limited	90%	17,129,155	90%	7,949,155
	National Skill Development Corporation (NSDC)	10%	1,903,240	10%	883,240
	Total	100%	19,032,395	100%	8,832,395

NIIT YUVA JYOTI LIMITED
Notes to 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 in Statement of Profit and Loss		
	Balance brought forward from previous year	(119,783,719)	(30,101,277)
	Add : Loss for the year	(103,321,926)	(89,682,442)
		(223,105,645)	(119,783,719)
5	Share Application Money Pending Allotment	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	4,100,000 (Previous year 3,000,000) Equity shares of face value Rs. 10 each proposed to be issued at par *	41,000,000	30,000,000
		41,000,000	30,000,000

* The equity shares have been allotted against the share application money subsequent to the balance sheet date.

6	Long-term Borrowings	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Secured		
	Term Loan from National Skill Development Corporation (NSDC)	142,642,256	79,642,256
		142,642,256	79,642,256

6.1 Terms of Repayment

NSDC has agreed to grant a term loan to the Company which is being disbursed in installments over a period of 4 years and 4 months i.e. upto March 31, 2016. The Company has received two installments aggregating to Rs. 142,642,256/- till March 31, 2014. The entire term loan received / receivable is repayable in installments over a period of 10 years upto March 31, 2022, after the initial moratorium period upto March 31, 2017. Loan is interest free for the period upto March 31, 2015 and thereafter, chargeable at the rate of 7.5% p.a.

6.2 Nature of Security

Loan from NSDC is secured by first charge on both present and future acquired assets comprising of movable fixed assets, book debts, receivables and the balance lying to the credit of designated bank accounts including without limitation all movable plant and machinery, capital equipment, together with its accessories, computer hardware and software, digital content, learning material, electronic spares and machine spares, tools and accessories both present and future, whether installed or lying loose. The entire loan amount is also covered by a corporate guarantee from NIIT Limited, the holding Company.

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

7	Trade Payables	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Trade Payables (Refer Note 31)	19,865,014	17,101,271
		19,865,014	17,101,271

8	Other Current Liabilities	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Deferred Revenue	80,101	-
	Payable for purchases of Fixed Assets	1,529,410	4,972,179
	Advances from Customers	10,712,954	2,053,284
	Statutory Dues	2,962,380	2,359,903
	Other Payables*	112,493,049	18,725,229
		127,777,894	28,110,595

*Includes unspent balance of Market Development Assistance (MDA) Rs. 112,243,999/- (Previous year Rs. 18,725,229/-).
Refer Note 29.

9	Short-term Provisions	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	Provision for Employee Benefits (Also refer Note 20(B))		
	- Provision for Gratuity	845,448	591,566
	- Provision for Compensated Absences	3,247,250	2,121,000
		4,092,698	2,712,566

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

10 Fixed Assets

(Amount in Rs.)

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				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 Assets</u>										
Plant & Equipment	12,493,047	2,242,810	-	14,735,857	3,350,423	3,881,664	-	7,232,087	7,503,770	9,142,624
Office Equipment	2,843,661	881,054	-	3,724,715	701,645	537,329	-	1,238,974	2,485,741	2,142,016
Leasehold Improvement	12,096,445	2,103,655	-	14,200,100	2,556,043	4,126,223	-	6,682,266	7,517,834	9,540,402
Furniture & Fixture	2,482,216	339,741	-	2,821,957	1,067,465	650,929	-	1,718,394	1,103,563	1,414,751
Sub Total (i)	29,915,369	5,567,260	-	35,482,629	7,675,576	9,196,145	-	16,871,721	18,610,908	22,239,793
Previous Year (a)	11,218,604	18,705,724	8,959	29,915,369	950,029	6,732,232	6,685	7,675,576	22,239,793	
<u>ii) Intangible Assets</u>										
Contents & Tools [Refer Note 10.1 & 10.2] - Internally Generated	53,905,330	5,716,765	-	59,622,095	9,580,287	11,247,881	-	20,828,168	38,793,927	44,325,043
Software (Acquired)	646,004	262,370	-	908,374	53,121	278,426	-	331,547	576,827	592,883
Sub Total (ii)	54,551,334	5,979,135	-	60,530,469	9,633,408	11,526,307	-	21,159,715	39,370,754	44,917,926
Previous Year (b)	31,748,245	22,803,089	-	54,551,334	1,064,257	8,569,151	-	9,633,408	44,917,926	
Total (i+ii)	84,466,703	11,546,395	-	96,013,098	17,308,984	20,722,452	-	38,031,436	57,981,662	67,157,719
Previous Year (a+b)	42,966,849	41,508,813	8,959	84,466,703	2,014,286	15,301,383	6,685	17,308,984	67,157,719	

(iii) Capital work-in-progress

206,400 655,896

(iv) Intangible assets under development (Refer Note 10.1)

13,586,247 6,960,600

NIIT YUVA JYOTI LIMITED

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

10.1 Capitalization of Internally Developed Intangibles

The Company internally develops software tools, platforms and content. The management estimates that these would result in enhanced productivity and offer more technology based learning products / solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the abovementioned assets. The costs incurred during the year towards the development are as follows:

Details of Costs incurred during the year:

Particulars	Year ended March 31, 2014 Rs.	Year ended March 31, 2013 Rs.
Salaries and Benefits	8,365,407	18,198,715
Premises Cost	979,695	1,724,333
Professional Costs	2,997,310	1,688,880
Purchase of Content	-	1,500,000
Other Expenses	-	456,457
Total	12,342,412	23,568,385

The details of movement of Intangible assets under development is given as below :

Particulars	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Opening balance at the beginning of the year	6,960,600	5,549,300
Add: Costs incurred during the year (as per details provided above)	12,342,412	23,568,385
Less: Capitalised during the year	5,716,765	22,157,085
Closing Balance at the end of the year	13,586,247	6,960,600

- 10.2** Intangible includes content and software products (tools and platform) whose remaining amortisation period is 1 to 5 years. However none of these are individually material to the financial statements as a whole.

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

11	Loans and Advances (Unsecured, considered good, unless otherwise stated)	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.
	Capital Advances	-	450,205	-	-
	(A)	-	450,205	-	-
	Security Deposits Receivable	2,370,618	2,262,750	-	34,000
	(B)	2,370,618	2,262,750	-	34,000
	Advances recoverable in cash or in kind*	-	-	12,056,819	8,419,006
	(C)	-	-	12,056,819	8,419,006
	Other Advances				
	-Advance Tax (Net of Provision for tax - Rs. Nil (Previous year Nil)	1,636,828	817,083	-	-
	(D)	1,636,828	817,083	-	-
	Total(A+B+C+D)	4,007,446	3,530,038	12,056,819	8,453,006

*Includes balance due from government authorities in respect of service tax Rs. 7,551,374/- (Previous year Rs. 3,955,951/-)

12	Other Assets (Unsecured, considered good, unless otherwise stated)	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.
	Non Current Bank Balances (Refer note 15)*	250,000	250,000	-	-
	Unbilled revenue	-	-	2,488,102	73,929
	Interest Receivable**	44,812	22,187	196,381	437,989
	Other Receivables from Related Party	-	-	-	534,154
		294,812	272,187	2,684,483	1,046,072

*Held as lien by bank against bank guarantees issued to VAT Authorities.

** Includes Rs. 92,833/- (Previous year Rs. 22,187/-) in respect of bank deposits pledged as margin money.

13	Inventories (Valued at Cost or net realisable value whichever is lower)	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	As at the end of the year		
	Traded Goods		
	Education and Training Material*	1,907,915	1,643,738
	Less : Provision for obsolescence	(46,835)	(50,050)
		1,861,080	1,593,688
	As at the beginning of the year		
	Traded Goods		
	Education and Training Material*	1,643,738	775,868
	Less : Provision for obsolescence	(50,050)	-
		1,593,688	775,868
	(Increase) / Decrease in Inventory	(267,392)	(817,820)
	* Includes Courseware, TIRM, Hardware and other goods		

14	Trade Receivables (Unsecured, considered good)	Current	
		As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
a)	Outstanding for a period exceeding six months from the date they are due for payment	12,538	-
	(A)	12,538	-
b)	Others	1,286,316	48,295
	(B)	1,286,316	48,295
	Total (A+B)	1,298,854	48,295

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

15	Cash and Bank Balances	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.
	Cash and cash equivalents:				
	Balances with banks				
	- Current Accounts *	-	-	9,945,467	3,809,937
	- Bank deposits with original maturity of 3 months or less	-	-	50,500,000	17,000,000
	Cash on hand	-	-	792,338	277,441
	Cheques, drafts on hand	-	-	420,559	3,002,040
	(Include Rs. 3,310,288/- (Previous year Rs. Nil) pertaining to amount earmarked for specific contract)				
		-	-	61,658,364	24,089,418
	Other bank balances:				
	Bank deposits:*				
	- With original maturity of more than 3 months and upto 12 months	-	-	146,860,000	12,300,000
	- With original maturity of more than 12 months	250,000	250,000	100,000	-
	[*Deposit of Rs. 2,110,000/- (Previous year Rs. 250,000/-) pledged as margin money against bank guarantees.]				
		250,000	250,000	146,960,000	12,300,000
		250,000	250,000	208,618,364	36,389,418
	Amount disclosed under non-current assets (Note12)	(250,000)	(250,000)	-	-
		-	-	208,618,364	36,389,418
16	Contingent Liabilities and Commitments				
	(a) Bank Guarantees issued to VAT authorities Rs. 250,000/- (Previous year Rs. 250,000/-).				
	(b) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 86,360/- (Previous year Rs. 2,110,039/-).				
17	Revenue from Operations			For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
	Sales of Product:				
	Sale of Hardware			25,900	276,420
	Sale of Courseware			13,964,448	5,149,904
	Sale of Services			16,552,803	4,151,338
				30,543,151	9,577,662
18	Other Income			For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
	Interest Income			1,391,806	4,420,033
	Other non-operating income			361,008	119,720
				1,752,814	4,539,753

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

19	Employee Benefits Expense* (Also refer Note 10 & 29)	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
	Salaries and Benefits	53,207,307	43,458,527
	Contribution to Provident and Other Funds	2,648,870	2,755,938
	Staff Welfare and Other expenses	2,676,350	1,878,850
		58,532,527	48,093,315

* Net of market development assistance amounting to Rs. 8,995,651/- (Previous period Rs. 7,313,459/-).

20 Employee Benefits

A) Defined Contribution Plans

The Company makes contribution towards Provident Fund, Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees. The Company has charged following costs in the Statement of Profit and Loss under "Employee Benefits Expense" :-

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Employers Contribution to Provident Fund	1,278,691	1,324,240
Employers Contribution to Superannuation Fund	391,625	428,636
Employers Contribution to Pension Scheme	580,784	512,668

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

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Employers Contribution to Provident Fund	252,708	252,708
Employers Contribution to Superannuation Fund	99,996	99,996
Employers Contribution to Pension Scheme	6,492	6,492

B) Benefit Plans

I) Compensated Absences

i) Change in Present Value of Obligation

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Present value of obligation as at the beginning of the year	2,121,000	1,002,000
Current Service Cost	993,490	1,155,470
Interest Cost	174,980	86,170
Actuarial (gain)/ loss on Obligations	(42,220)	(122,640)
Present value of obligation as at the end of the year	3,247,250	2,121,000

ii) Assumptions used in accounting of Compensated Absences

Particulars		
Discount Rate (per annum)	9.25%	8.25%
Future Salary Increase		
- For First 5 Years	10.00%	10.00%
- For Subsequent period	7.00%	7.00%

iii) Net Compensated Absences cost recognized in the Statement of Profit and Loss :-

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Current service cost	993,490	1,155,470
Interest cost	174,980	86,170
Net Actuarial (gain)/ loss recognized during the year	(42,220)	(122,640)
Expense recognised in the Statement of Profit and Loss under the head Employee Benefits Expense (Refer Note 19)	1,126,250	1,119,000

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

II. Gratuity (Defined Benefit Plan)

In accordance with Accounting Standard 15, an actuarial valuation was carried to determine the liability at the end of the year.

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
i) Change in Present value of Obligation:-		
Present value of obligation as at the beginning of the year	1,028,000	1,996,000
Current service cost	327,530	384,950
Interest Cost	77,602	106,250
Acquisition Cost	725,834	(88,050)
Actuarial (gain)/ loss on Obligations	20,682	149,970
Benefits Paid	(174,806)	(1,521,120)
Present value of obligation as at the end of the year	2,004,842	1,028,000

ii) Change in Plan Assets :-		
Fair value of Plan Assets as at the beginning of the year	436,444	1,706,333
Acquisition Cost	725,834	(88,050)
Expected return on Plan Assets	39,566	93,624
Contributions*	143,878	188,503
Actuarial (loss) / gain on Plan Assets	(11,522)	57,154
Benefits Paid	(174,806)	(1,521,120)
Fair value of Plan Assets as at the end of the year	1,159,394	436,444

* Actuary's estimate of contributions for the next financial year is Rs. 1,246,000/- (Previous Year Rs. 924,000/-).

iii) Amount of Assets / (Obligation) recognition in the Balance Sheet :-	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Present value of obligation as at the end of the year (A)	2,004,842	1,028,000	1,996,000
Fair value of Plan Assets as at the end of the year (B)	1,159,394	436,444	1,706,333
(Asset)/ Liability Recognised in Balance Sheet (A-B)	845,448	591,556	289,667

iv) Net Gratuity Cost recognized in the Statement of Profit and Loss:-	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Current service cost	327,530	384,950
Interest cost	77,602	106,250
Expected return on Plan Assets	(39,566)	(93,620)
Net Actuarial (gain)/ loss recognized during the year	32,204	92,820
Expense recognised in the Statement of Profit and Loss **	397,770	490,400
Actual return on plan assets	28,052	150,770

*Includes Rs. 25,770/- (previous year Rs. 105,795/-) towards contribution for Key Managerial Personnel.

#The above cost is included under "Contribution to Provident and Other Funds" in Note 19

v) Assumptions used in accounting for gratuity plan:-		
Discount Rate (per annum)	9.25%	8.25%
Future Salary Increase	5.00%	5.00%
Expected Rate of return on plan assets	9.40%	9.40%

Estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

vi) Investment details of Plan Assets:-

During the year, the Company has contributed to the Gratuity Fund of the Trust (setup by holding Company) maintained with the Life Insurance Corporation of India. The details of investment maintained by Life Insurance Corporation of India 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.

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

21	Other Expenses (Also refer Note 29)*	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
	Equipment Hiring	9,220	28,799
	Freight and Cartage	535,772	685,228
	Lease Rent	9,996,538	8,588,143
	Rates and Taxes	154,354	41,852
	Power & Fuel	3,091,103	2,236,173
	Communication	3,846,828	1,929,120
	Legal and Professional (Refer Note 22 below)	6,639,192	5,906,305
	Management Cost Recovery by Holding Company	6,660,385	6,001,164
	Travelling and Conveyance	6,363,983	6,500,185
	Advances Written off	86,000	-
	Insurance	318,665	80,315
	Repairs and Maintenance		
	- Plant and Machinery	137,381	110,309
	- Buildings	19,188	51,673
	- Others	1,889,402	1,064,272
	Loss on Fixed Assets Scrapped	-	2,273
	Security and Administration Services	1,839,805	1,445,063
	Bank Charges	12,766	18,815
	Printing and Stationery	382,532	482,309
	Sundry Expenses	457,869	449,798
		42,440,983	35,621,796

* Net of market development assistance amounting to Rs. 17,329,318/- (Previous Year Rs. 12,196,209/-)

22	Payment to Auditors	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
	As Auditors		
	- Audit Fee	650,000	650,000
	- Tax Audit Fee	50,000	50,000
	-For reimbursement of expenses (including Service Tax)	149,442	153,936
		849,442	853,936

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

23 Taxation

No provision for taxation has been made for the year as the Company has incurred losses during the year resulting in no taxable income. Further, no deferred tax asset has been recognized as at the end of the year based on prudence.

24 Earnings Per Share

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
(Loss) attributable to Equity Shareholders (Rs.) - (A)	(103,321,926)	(89,682,442)
Weighted average number of Basic Equity Shares outstanding during the year (Nos.)- (B)	14,893,217	8,832,395
Weighted average number of Diluted Equity Shares outstanding during the year (Nos.)- (C)*	15,035,053	8,877,600
Nominal value of Equity Shares(Rs.)	10	10
Basic Earnings/(Loss) per Share (Rs.) (A/B)	(6.94)	(10.15)
Diluted Earnings/(Loss) per Share (Rs.) (A/B)*	(6.94)	(10.15)

*Potential equity shares are antidilutive and hence not been considered for computation of Diluted Earnings/(Loss) Per Share.

25 Related Party Disclosure as per Accounting Standard (AS) - 18

I. Related party relationship where control exists :

A) Holding Company

NIIT Limited

B) Fellow Subsidiary Companies

- 1 NIIT Online Learning Limited
- 2 Hole-in-the-Wall Education Limited
- 3 Scantech Evaluation Services Limited
- 4 NIIT Institute of Finance Banking and Insurance Training Limited
- 5 NIIT Institute of Process Excellence Limited
- 6 Evolv Services Limited
- 7 NIIT Limited, UK
- 8 NIIT Antilles NV, Netherlands Antilles
- 9 NIIT Malaysia Sdn. Bhd, Malaysia
- 10 NIIT GC Limited
- 11 NIIT China (Shanghai) Limited, 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 Company Limited (w.e.f. May 14, 2012), China
- 22 Chongqing An Dao Education Consulting Limited (w.e.f. June 5, 2012), China
- 23 Zhangjiagang NIIT Information Services Limited (w.e.f. September 1, 2012), China
- 24 Chengmai NIIT Information Technology Company Limited (w.e.f. December 19, 2012), China

II. Other related parties with whom the Company has transacted:

A) Key Managerial Personnel

Mr. Sanjay Bahl (Whole-time Director)

B) Relatives of Key Managerial Personnel

Sanjay Bahl HUF [in which KMP (Sanjay Bahl) is Karta]

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

III. Details of significant transactions with related parties described above carried out on an arms' length basis:

Nature of Transactions	Holding Company	Fellow Subsidiaries	Key Managerial Personnel (KMP)	Relatives of Key Managerial Personnel	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Purchase of Traded Goods	205,102 (353,625)	Nil (Nil)	Nil (Nil)	Nil (Nil)	205,102 (353,625)
Revenue from Operation (Foot-note 1)					
-Sale of Courseware	2,781,338 (Nil)	326,737 (Nil)	Nil (Nil)	Nil (Nil)	3,108,075 (Nil)
Recovery of Exp. By					
-Employee Benefits Expense	90,070 (128,175)	Nil (Nil)	Nil (Nil)	Nil (Nil)	90,070 (128,175)
-Other Expenses	5,927,388 (9,149,969)	Nil (Nil)	Nil (Nil)	Nil (Nil)	5,927,388 (9,149,969)
-Professional and Technical Outsourcing Expenses	2,327 (12,457)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,327 (12,457)
Services Rendered to (Foot-note 2)					
-Recovery of Employee Cost (Other Income)	59,677 (48,020)	Nil (Nil)	Nil (Nil)	Nil (Nil)	59,677 (48,020)
-Revenue from Operations	Nil (Nil)	180,000 (71,700)	Nil (Nil)	Nil (Nil)	180,000 (71,700)
-Employee Benefits Expense	1,076,437 (480,198)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,076,437 (480,198)
Services Received from (Foot-note 3)					
-Other Expenses	7,387,097 (7,890,509)	1,889 (Nil)	Nil (Nil)	472,260 (472,260)	7,861,246 (8,362,769)
-Employee Benefits Expense	Nil (Nil)	67,528 (Nil)	Nil (Nil)	Nil (Nil)	67,528 (Nil)
Services received towards development of Intangible Assets					
-Intangible Assets under Development	2,620,854 (967,683)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,620,854 (967,683)
Share Capital Issued	91,800,000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	91,800,000 (Nil)
Remuneration (Foot-note 4)					
-Employee Benefits Expense	Nil (Nil)	Nil (Nil)	8,613,793 (9,177,978)	Nil (Nil)	8,613,793 (9,177,978)
Guarantees in respect of Loans	63,000,000 (79,642,256)	Nil (Nil)	Nil (Nil)	Nil (Nil)	63,000,000 (79,642,256)
Share Application Money Pending Allotment	36,900,000 (27,000,000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	36,900,000 (27,000,000)
Purchase of Tangible Assets	930,850 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	930,850 (Nil)
Purchase of Intangible Assets	262,370 (586,845)	Nil (Nil)	Nil (Nil)	Nil (Nil)	262,370 (586,845)

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

Foot-notes

1 Includes Sale of Goods to:

NIIT Institute of Finance Banking and Insurance Training Ltd Rs. 326,737/- (Previous Year Rs. Nil)

2 Includes Services Rendered to:

Revenue from Operations

NIIT Institute of Finance Banking and Insurance Training Ltd Rs. 180,000/- (Previous Year Rs. 71,700/-)

3 Includes Services Received from:

Other Expenses

Evolv Services Ltd Rs. 1,889/- (Previous Year Rs. Nil)

Sanjay Bahl (HUF) Rs. 472,260/- (Previous Year Rs. 472,260/-)

Employee Benefits Expense

Evolv Services Ltd Rs. 67,528/- (Previous Year Rs. Nil)

4 Includes remuneration paid to :

Sanjay Bahl Rs. 8,613,793/- (Previous Year Rs. 9,177,978/-)

IV. Balance receivables / payables with related parties

Particulars	Receivables	Payables	Guarantees & Collaterals Outstanding [Note 6.2]
	(Rs.)	(Rs.)	(Rs.)
Holding Company	Nil	660,911	142,642,256
	(534,154)	(5,695,978)	(79,642,256)
Fellow Subsidiaries (Foot-note a & b)	339,173	77,800	Nil
	(Nil)	(Nil)	(Nil)
Parties in which KMP are interested	Nil	115,704	Nil
	(Nil)	(192,839)	(Nil)

a) Includes Amount receivables from:

NIIT Institute of Finance Banking and Insurance Training Ltd Rs. 339,173/- (Previous Year Rs. Nil)

b) Includes Amount payable to:

Evolv Services Limited Rs. 77,800/- (Previous Year Rs. Nil)

*Previous year figures are shown in parenthesis

26 Segment Reporting

The Company is in the business of imparting education and training in the field of skill building which is viewed by the management as a single segment in accordance with AS-17 'Segment Reporting' as notified under section 211(3C) of the Companies Act, 1956. As Company operates in a single geography, India, secondary segment reporting is not applicable.

27 Operating Lease

(i) All the significant operating leases entered into by the Company are cancellable on giving a notice of 1 to 3 months.

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

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
In respect of Premises	9,075,875	8,115,883
In respect of Vehicles	920,663	472,260

NIIT YUVA JYOTI LIMITED
Notes to Financial Statements for the year ended March 31, 2014

28 Revenue Share

In consideration of NSDC supporting the skill development activities and initiatives of the Company (by way of tangible and intangible support), the Company has entered into a revenue sharing agreement with NSDC. In terms of this agreement, the Company has agreed to share certain percentage of its operating revenue with NSDC over a period of 5 years beginning April 1, 2017. This revenue sharing is subject to timely disbursement and reimbursements and intangible supports to be provided by NSDC and may be revised downwards in case of any change in the business plan.

- 29** The Company has entered into a Market Development Assistance (MDA) Agreement with NSDC, whereby NSDC has agreed to provide assistance for the specified purpose of market development in the focus sectors. MDA shall be disbursed in installments over a period of 4 years and 4 months upto March 31, 2016. During the year, the Company received an installment of Rs. 119,843,739/- (previous year Rs. 37,098,395/-) from NSDC. Cumulative amount received till March 31, 2014 is Rs. 166,942,134/- (previous year Rs. 47,098,395/-). The Company has spent Rs. 26,324,969/- (previous Year Rs. 19,509,668/-) during the year. Cumulative amount spent till March 31, 2014 is Rs. 54,698,135/- (Previous year Rs. 28,373,166/-). The balance unspent amount of Rs. 112,243,999/- (Previous Year Rs. 18,725,229/-) is included in "Other Payables" under the head "Other Current Liabilities". The costs incurred which have been netted off with the related heads in Statement of Profit and Loss is as follows -

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Employee Benefits Expense (Refer note 19)	8,995,651	7,313,459
Market Development Expenses (Refer note 21)*	17,329,318	12,196,209
Total	26,324,969	19,509,668

*This has been netted off from Advertisement & Marketing Expenses.

- 30** The net worth of the Company is eroded at the year end. Company is entering into contracts with the entities in the private sector as well as with governments/ local bodies in order to expand its reach and at the same time enhancing its course offerings. NSDC has also committed financial support in the form of loans and funds for market development initiatives to enable the Company in meeting the targeted skilled manpower training as per the Investment Agreement. Based on such support and along with the committed operational and financial support from the Holding Company, NIIT Limited, these financial statements have been prepared on a going concern basis.
- 31** Based on information available with the Company, there is no vendor covered under the Micro, Small and Medium Enterprises Development Act, 2006.
- 32** Previous year figures have been reclassified to conform the current year classification.

Signatures to the Notes `1' to `32' above

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

For and on behalf of the Board

Usha Rajeev
Partner
Membership No. 087191

Sanjay Bahl
Whole-time Director
DIN – 05155750

Vijay K Thadani
Director
DIN – 00042527

Place: New Delhi
Date: May 15, 2014

Sanjeev Dhar
Chief Financial Officer

Ashish Gupta
Company Secretary
Membership No. F7395