

Unaudited Financial Results for the Quarter ended 30th June 2004

	(Rs. Lacs)	
Particulars	Quarter Ended 30th June 2004* (Limited Review)	18 Months Period Ended 31st March 2004 (Audited)
(1)	(2)	(3)
1. Income from Operations	6,188	43,763
2. Other Income		
- Interest	50	497
- Others	379	2,298
3. Total Expenditure	5,742	37,839
a) (Increase)/decrease in stock	(115)	35
b) Personnel Cost	1,653	9,870
c) Development, Production & Execution	2,460	15,657
d) Others	1,744	12,277
4. Interest Expenses	50	578
5. Depreciation	461	4,169
6. Profit before Taxes	364	3,972
7. Provision for Taxation/ Deferred Tax	29	(603)
- Current Tax	29	205
- Deferred Tax Charge (+)/benefit (-)	0	(618)
- Provision for Tax written back	0	(190)
8. Net Profit	335	4,575
9. Paid up Equity Share Capital (Face Value of Rs. 10 each)	1,932	1,932
10. Reserves		24,992
11. Basic and diluted EPS for the period and for the previous periods (not to be annualised) (in Rs.)	1.73	17.76
12. Aggregate of Non-Promoter Shareholding		
- Number of Shares (As reorganised per Scheme of Arrangement)		13,002,275
- Percentage of Shareholding		67.28%

**Segment-wise Revenue, Result and Capital Employed in terms of
Clause 41 of the listing agreement**

	Quarter Ended 30th June 2004* (Limited Review)
Particulars	(2)
(1)	(2)
1. SEGMENT REVENUE	
Domestic Business	
Individual Business	2090
Institutional Business	3029
International Business	1069
TOTAL INCOME FROM OPERATIONS	6188
2. SEGMENT RESULTS	
Profit (+)/Loss (-) before tax and Interest from each Segment	
Domestic Business	
Individual Business	-207
Institutional Business	751
International Business	-56
TOTAL	488
Less :	
(i) Other un-allocable expenditure net of un-allocable income	(124)
TOTAL PROFIT/(LOSS) BEFORE TAX	364
3. CAPITAL EMPLOYED (Segment Assets - Segment Liabilities)	
Domestic	
Individual Business	1066
Institutional Business	7033
International	4070
Others	16945
TOTAL	29114

PRICE WATERHOUSE

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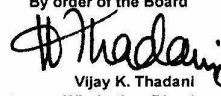
***Notes :-**

- 1)(a) Pursuant to the Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 approved by Hon'ble High Court of Delhi the Global Solutions Business undertaking (GSB) of the Company was transferred to NIIT Technologies Limited (hereinafter referred to as NTL) from the Appointed date i.e. April 1, 2003. The above transfer of GSB undertaking into NTL became effective on June 4, 2004 (The effective date). Accordingly, it is impracticable to provide results relating to quarter ended 30th June 2003. Also, the figures in the audited financial statement for the 18 months period ended 31st March 2004 in column 3 includes operations of the GSB Undertaking for the 6 months period upto 31st March 2003 and accordingly are not comparable.
- (b) Pending approval of the Scheme of Arrangement, the operations of the two undertakings i.e. NIIT Ltd. and NTL were not fully segregated till June 1, 2004. The related common costs and other income for the period 1st April 2004 to 31st May 2004 have been shared by the Company and NTL appropriately. This resulted in net recovery of Rs.12 Lacs by NTL from the Company which have been included/netted off against relevant-head in the above statement of the financial results.
- (c) The Shares as reorganised in terms of the Scheme of Arrangement referred to in Para 1(a) above have been issued as of the record date 16th July 2004. The aforesaid shares are in the process of being listed at the Stock Exchanges of Ahmedabad, Chennai, Delhi, Kolkata, Mumbai and National Stock Exchange.
- 2) The Statutory Auditors' in their report dated 28th June 2004 on the financial statements for the 18 months period ended March 31, 2004 commented on the following matters affecting the accounts, which has no impact on results of the quarter ended 30th June 2004.
- The matters referred to in Para (a) & (b) below have been removed upon giving effect to the Scheme of Arrangement.
- (a) The reorganisation of the Reserves and Surplus of the Company as at April 1, 2003 pursuant to the Scheme of Arrangement referred to Para 1(a) above resulted in reduction in Reserves & Surplus.
- (b) The adjustment to general reserves of the company relating to write down arising out of the fair valuation of assets and restructuring costs in accordance with the Scheme of Arrangement referred to in Para 1 (a) above with consequent impact on the results of the period.
- (c) The Company has paid remuneration to a whole time director pending approval from the shareholders aggregating to Rs. 29 lacs. The amount paid to the whole time director during the quarter is Rs.7 Lacs. The Company will obtain necessary approval from the shareholders in the ensuing general meeting.
- 3) With effect from 1st April 2004 the Company has redefined its business segments into Domestic Individual Business (comprising of education and training to individuals in India including through business partners), Domestic Institutions Business (comprising of schools and corporate training) and International Business (comprising of Knowledge Solutions Business and International Education Business). The Company till 31st March 2004 was viewing its business in terms of Learning and Software business. It is impractical to reclassify the previous period as per the redefined business segments.
- 4) During the quarter the company has invested Rs.1250 Lacs in the equity shares of its wholly owned subsidiary NIIT Antilles NV, Netherlands Antilles.
- 5) Development, Production and Execution expenses include course execution charges for the quarter ended June 30, 2004 amounting to Rs.1,200 Lacs. (Previous accounting year ended 31st March 2004-Rs.7,176 Lacs)
- 6) The Company had no pending investor complaints as on June 30, 2004. During the quarter ended June 30, 2004, 5 complaints were received and were resolved immediately.
- 7) The figures of the previous period have been regrouped/ reclassified to conform to the current quarter's classification.
- 8) The above results have been approved and taken on record by the Board of Directors of the Company at its meeting held on July 27, 2004.

Place: New Delhi
Dated: July 27, 2004

PRICE WATERHOUSE


Rajendra S Pawar
Chairman and Managing Director

By order of the Board

Vijay K. Thadani
Whole-time Director


Ashok Arora
Group Chief Financial Officer