

NIIT

Financial Results

Consolidated System-Wide
Revenue up 21% YoY

Consolidated Profit Before Tax
up 23% YoY

Individual Learning Solutions
IT Revenue up 22% YoY

NIIT Limited
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Audited Financial Results for the Year Ended 31st March, 2009

(Rs. Lacs)

Particulars	INDEPENDENT FINANCIALS				CONSOLIDATED FINANCIALS	
	3 months ended (31/03/2009)	Corresponding 3 months ended (31/03/2008)	Accounting year ended (31/03/2009)	Previous accounting year ended (31/03/2008)	Accounting year ended (31/03/2009)	Previous accounting year ended (31/03/2008)
	Unaudited (2)	Unaudited (3)	Audited (4)	Audited (5)	Audited (6)	Audited (7)
1 a) Net Sales/Income from Operations	14,887	14,396	54,562	46,738	114,856	100,683
b) Other Operating Income	-	-	-	-	-	-
2 Expenditure						
a) (Increase)/Decrease in stock	614	1	188	85	297	60
b) Consumption of Raw Material	-	-	-	-	1,575	1,320
c) Purchase of traded goods	1,940	2,696	7,690	6,444	9,067	8,700
d) Personnel Cost	2,914	3,037	13,114	12,508	33,394	30,536
e) Development, Production & Execution	3,171	2,432	11,072	7,577	31,876	26,076
f) Depreciation	1,174	855	4,024	3,582	6,468	5,294
g) Other expenditure	3,025	3,906	14,572	14,663	27,393	23,832
h) Total	12,838	12,927	50,760	44,859	110,060	95,818
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,049	1,469	3,802	1,879	4,796	4,865
4 Other Income						
- Interest	380	104	776	422	532	318
- Others	1,271	2,105	3,391	3,013	2,034	735
5 Profit before Interest & Exceptional Items (3+4)	3,700	3,678	7,969	5,314	7,362	5,918
6 Interest Expense	592	251	1,617	1,001	2,430	1,903
7 Profit after Interest but before Exceptional Items (5-6)	3,108	3,427	6,352	4,313	4,932	4,015
8 Exceptional Items	-	-	-	-	-	-
9 Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	3,108	3,427	6,352	4,313	4,932	4,015
10 Tax expense	794	612	1,631	1,036	1,038	(204)
- Current Tax	557	423	907	1,181	1,555	1,449
- Deferred Tax Charge/ (Credit)	183	64	480	(153)	(792)	(1,655)
- Fringe Benefit Tax	54	76	244	246	275	257
- MAT Credit entitlement	-	49	-	(238)	-	(255)
11 Net Profit (+)/Loss(-) after tax (9-10) before share of Associates' Profit	2,314	2,815	4,721	3,277	3,894	4,219
12 Profit / (Loss) of Associates					2,832	3,338
13 Net Profit (+)/Loss(-) after tax (11+12) after share of Associates' Profit					6,726	7,557
14 Net Profit / (Loss) attributable to minority					(250)	(8)
15 Income attributable to Consolidated Group					6,976	7,565
16 Paid-up equity share capital	3,300	3,294	3,300	3,294	3,300	3,294
Face Value	Rs. 2/- each	Rs. 2/- each	Rs. 2/- each	Rs. 2/- each	Rs. 2/- each	Rs. 2/- each
17 Reserves excluding revaluation reserve			35,174	33,034	41,639	37,288
18 Earnings Per Share (EPS) (Rs.) (not annualised)						
- Basic	1.40	1.71	2.86	2.02	4.23	4.67
- Diluted	1.40	1.70	2.86	2.02	4.23	4.65
19 Debt Service Coverage Ratio			1.16		2.03	
20 Interest Service Coverage Ratio			4.93		4.30	
21 Public shareholding						
- Number of shares	108,821,619	115,074,521	108,821,619	115,074,521		
- Percentage of shareholding	65.96%	69.87%	65.96%	69.87%		
22 Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
- Number of shares	Nil		Nil			
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA		NA			
- Percentage of shares (as a % of the total share capital of the company)	NA		NA			
b) Non-encumbered						
- Number of shares	56,161,367		56,161,367			
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%		100%			
- Percentage of shares (as a % of the total share capital of the company)	34.04%		34.04%			

Notes to Standalone and Consolidated Financials:-

- During the year, foreign exchange fluctuation loss on matured designated forward contract has resulted in reduction of Revenue amounting to Rs. 823 Lacs (Previous year Nil) . Foreign Exchange Fluctuation Loss on designated forward covers outstanding as at year end, amounting to Rs. 345.30 Lacs (Previous year Rs. 57.43 Lacs) (net of deferred tax) has been debited to hedging reserve under shareholders' equity.
- During the year, the Company has reviewed the estimated useful life of certain fixed assets which has resulted in increase of depreciation for the current financial year by Rs. 129.20 Lacs (Rs. 140.40 Lacs consolidated) with a corresponding impact on the profit before taxes.
- During the year, the Company has issued 12% Non convertible debentures aggregating to Rs. 50 Crores on a private placement basis to Life Insurance Corporation of India and 11.25% Non convertible debentures aggregating to Rs. 50 Crores on a private placement basis to Indian Overseas Bank. The same are redeemable in 3 annual installments starting from October, 2013 and March, 2012 respectively.
- Other income includes dividend amounting to Rs. 782.89 Lacs (Previous Year Rs. 1,882.90 Lacs) declared by wholly owned domestic subsidiary Scantech Evaluation Services Limited in respect of which dividend distribution tax would be paid by the subsidiary. In terms of provisions of sub-section 1A of section 115 O of the Income Tax Act 1961, dividend distribution tax payable by the Company, is net of the dividend distribution tax payable by the subsidiary company amounting to Rs. 133.05 Lacs (Previous Year Rs. 320 lacs).
- During the year, the Company has sold 75 Acres of land and academic block and other structures under construction on the said land to NIIT Institute of Information Technology (TNI) for a sum of Rs. 1,056 Lacs and Rs. 1,082 Lacs respectively. The profit amounting to Rs. 957 Lacs derived from these sales has been shown as other income for the year.
- During the year the company has made Long Term Investments in its subsidiaries as follows:
 - NIIT Institute of Process Excellence Limited : Rs. 450 Lacs
 - NIIT Multimedia Limited : Rs 180 Lacs
- During the year, the Company has disposed off the balance part of its holding in Mindshaper Technologies Pvt Ltd of 32,111 fully paid up Equity Shares of Rs. 10/- each for a consideration of Rs. 65 lacs.
- Under the Employee Stock Option Plan 2005 (ESOP 2005), approved by the shareholders, the Company had further given Grant IV for 1,282,050 options on July 28, 2008 at the previous day's closing market price of Rs. 88.70 per equity share. The options will vest after 1 year from date of grant. Under the Employee Stock Option Plan 2005 (ESOP 2005), during the current year the movement of ESOP options under various grants has been as follows:

Grants	Options Exercised (No.)	Options Lapsed (No.)	Options remained unexercised at year end (No.)
Grant I	280,123	294,627	92,430
Grant II	-	-	34,125
Grant III	-	302,121	447,879
Grant IV	-	7,500	1,274,550

- Development, Production and Execution expenses include course execution charges amounting to Rs. 2,223 Lacs and Rs. 7,454 Lacs for the current quarter and year ended March 31, 2009 respectively (corresponding previous quarter and year Rs. 1,239 Lacs and Rs. 3,985 Lacs respectively).
- One of the subsidiary company, namely, NIIT Middle East WLL, Bahrain has opted for voluntary liquidation w.e.f. February 15, 2009. The financial statement of this company are not prepared on going concern basis. Also the result of operation have been consolidated till the date of liquidation.
- During the previous year, the group had initiated the internal development of software tools, platforms and content/courseware. Accordingly cost of Rs. 1,421 Lacs for the year ended March 31, 2009 (Previous Year Rs. 1,047.50 Lacs) [Rs. 6,082.07 Lacs (Previous Year Rs. 4,236.39 lacs) on consolidated basis] has been debited to capital work in progress/ fixed assets, crediting respective expenses.
- The Board of Directors have recommended a dividend of Rs. 1.30 per equity share (Previous year Rs. 1.30 per equity share) Face value of Rs. 2 each.
- The sub businesses are fully aligned to global learning business of the Company and the same are being viewed by the management as a single primary segment, i.e. Learning Business.
- At the beginning of the quarter, there was no investor complaint pending for resolution, 8 complaints were received during the current quarter and all were resolved.
- The figures of the previous quarter/ year, to the extent feasible, have been regrouped/ reclassified to conform to the current quarter / year's classification.
- The above results of the company on a standalone basis have been approved and taken on record by the Board of Directors of the Company at its meeting held on May 27, 2009.

**By order of the Board
For NIIT Limited**

**Place: New Delhi
Dated: May 27, 2009**

**Vijay K. Thadani
CEO & Whole time Director**