



OUR VISION

VALUES, MOTIVES AND BELIEFS

WE, NIIT, BELIEVE THAT OUR GROWTH IS THE DERIVATIVE OF THE GROWTH OF EACH ONE OF US. IT IS THE DUTY OF EACH ONE OF US TO ESPOUSE AND GIVE ACTIVE EFFECT TO THE VALUES, MOTIVES AND BELIEFS WE STATE HERE

NIIT IS PEOPLE

WE HAVE POSITIVE REGARD FOR EACH ONE OF US

WE WILL FOSTER CAREER-BUILDING BY CREATING OPPORTUNITIES THAT DEMAND LEARNING, THINKING AND INNOVATION FROM EACH ONE OF US.

WE EXPECT EACH OF US TO CONTRIBUTE TO THE PROCESS OF ORGANISATION BUILDING AND THUS DERIVE PRIDE, LOYALTY AND EMOTIONAL OWNERSHIP.

WE RECOGNISE THE NECESSITY OF MAKING MISTAKES AND RISK-TAKING WHEN IT CONTRIBUTES TO THE LEARNING, INNOVATION AND GROWTH OF EACH ONE OF US.

NIIT IS QUALITY AND VALUE

EACH OF US WILL ENSURE THAT IN ANY ASSOCIATION WITH SOCIETY, SOCIETY BENEFITS SUBSTANTIALLY MORE THAN:

- (a) WHAT SOCIETY GIVES TO US.
- (b) WHAT SOCIETY WOULD GAIN FROM ANY OTHER SIMILAR ASSOCIATION.

WE WILL MEET ANY AND EVERY COMMITMENT MADE TO SOCIETY IRRESPECTIVE OF ANY COST THAT MAY HAVE TO BE INCURRED.

WE WILL ENSURE OUR PROFITABILITY, LONG-TERM GROWTH AND FINANCIAL STABILITY, THROUGH THE PROCESS OF DELIVERING THE BEST, BEING SEEN AS THE BEST AND BEING THE BEST.

WE WILL BE FAIR IN ALL OUR DEALINGS AND PROMOTE HIGH STANDARDS OF BUSINESS ETHICS.

NIIT IS A MISSION

WE WILL GROW IN THE RECOGNITION AND RESPECT WE COMMAND, THROUGH PIONEERING AND LEADING IN THE EFFECTIVE DEPLOYMENT OF TECHNOLOGY AND KNOW-HOW.

WE WILL SEEK TO PLAY A KEY-ROLE IN THE DIRECTIONS AND DEPLOYMENT OF TECHNOLOGY AND KNOW-HOW FOR THE BENEFIT OF MANKIND.

NIIT

TABLE OF CONTENTS

	Page No.
CHAIRMAN'S MESSAGE	2
CORPORATE INFORMATION	4
NIIT AT A GLANCE	6
FINANCIAL HISTORY	9
NOTICE	10
DIRECTORS' REPORT	15
MANAGEMENT DISCUSSION AND ANALYSIS	47
CORPORATE GOVERNANCE REPORT	63
FINANCIAL STATEMENTS OF NIIT LIMITED	82
CONSOLIDATED FINANCIAL STATEMENTS OF NIIT LIMITED (GROUP)	134
ROUTE MAP OF ANNUAL GENERAL MEETING VENUE	183
PROXY FORM	185
ATTENDANCE SHEET	187
INVESTORS' FEEDBACK FORM	189

CHAIRMAN'S MESSAGE

Dear Shareowners,

It is my pleasure to be here today and share with you the highlights of NIIT's performance in FY 16.

The year 2015-16 was shaped by global economic uncertainty arising out of financial and geo-political risks, volatility in exchange rates and a slowdown in the growth of China. While at the one end, the global economy faced challenges, at the other, it saw the Digital revolution gain momentum.

A spate of industry studies and researches conducted during the year, also pointed to a rise in Digital adoption, and its subsequent impact on the revenues of organizations targeting the Digital space.

The latest vision setting study by Indian IT industry spearhead NASSCOM and global consultancy firm McKinsey titled, 'Perspective 2025: Shaping the Digital revolution' for example, showed that the opportunity that Digital technology will create for Indian business and technology service providers will touch USD 4 trillion by 2025. Research further indicates that in order to execute Digital Transformation projects, India will need over a million engineers trained in Digital technologies by 2020.

Therefore Digital Transformation will continue to be a high potential segment for the Indian IT industry, including your Company, which is actively addressing this market.

Besides riding the Digital Transformation wave, your Company is also expected to reap the benefits of the increase in training spend by global corporations, especially in developed economies. Even during FY 16, many of these organizations outsourced their training to specialist training providers such as NIIT.

Business performance

By all accounts, it was a year of fair growth for NIIT Ltd. which grew across its three key businesses including the Corporate Learning Group, Skills & Careers Group, and School Learning Group. Your Company continued to strengthen its Platforms of Growth, as well as Liquidity, Profitability and Capital Efficiency.

While NIIT's net revenues grew at five percent during FY 16, touching Rs. 10,069 million during FY 16, PAT was pegged at Rs. 672 million.

Our performance during the year was driven by Corporate Learning, and in particular, its rock steady, high-growth, high momentum, Managed Training Services portfolio. The business contributed Rs. 5,679 million to your Company's turnover, which accounted for 56 percent of our revenues.

The business added seven new global customers in FY16, including four during Q4 for its Managed Training Services offering. Your Company ended FY16 with 31 Managed Training Services customers and a Revenue Visibility of USD 200 million over the remaining period of existing contracts.

The year was very significant for the Skills and Careers business too, with the business engineering a turnaround and getting 'Back to growth and profitability'. Your Company achieved this by realigning its focus on the needs of the emerging Digital Services industry and refurbishing its umbrella of courses with the futuristic DigiNxt series of training programs.

While demand for IT training in India continued to be weak in FY16, it surged in the 'Beyond-IT courses' domain, spurred by demand for skills in the Financial Services segment. NIIT's Beyond IT products grew by 23 percent YoY, with their revenue contribution within the Skills and Careers business increasing to 40 percent.

The business additionally leveraged the start-up revolution in India by introducing Stackroute, a range of courses targeted at creating full-stack, multi-skilled and multi-disciplinary programmers that could be employed by the best product engineering start-ups and IT companies.

The Skills and Careers business also continued to drive the use of technology for the delivery of its courses, to increase coverage and improve efficiency. Your Company delivered its training through a combination of its online platform, the Cloud Campus, satellite-based Synchronous Learning Technology and a physical network of learning centers across India, China, Asia and Africa.

Cloud Campus in fact remained the identified platform of growth in the careers segment. The delivery platform helped NIIT address market needs, achieve higher scalability with available resources, lower the cost of delivery and achieve better capacity utilization. Today, over 70 percent of NIIT centers and 78 percent of our products are Cloud-enabled.

During the year, and with the intent of providing more attention to school learning, NIIT completed its transfer into a wholly-owned subsidiary which was christened MindChampion Learning Systems Ltd. The schools business signed up 336 new schools in FY 16 for its nGuru product suite and paid greater attention to its IP and service-driven offerings.

Focus

FY16 was an important year for the company as it entered its second phase of business transformation—Re-energization—following the completion of the Restructuring phase in FY15.

The three pillars of NIIT's business remained focused on delivering solutions that added value to customers in the Digital age.

Corporate learning for instance, paid attention to growing its existing clients and investing in newer sectors like BFSI and Life Sciences. Its aim was to achieve significant progress on the productivity program, so as to improve EBITDA. The business ensured that its funnel was healthy and strengthened its learning advisory services capability.

For Skills and Careers, the focus remained the Digital Transformation space, while MindChampion Learning Systems Ltd. moved to its next level of growth through strategic tie-ups with private schools.

Achievements

NIIT's strong value proposition, innovation and excellence in customer service resulted in the company winning industry recognitions and awards, several in partnership with global customers such as Shell and Metlife.

NIIT was featured as "India's Most Trusted Education Brand" in the Brand Trust Report, India Study, 2016, undertaken by Trust Research Advisory for the fourth consecutive year. Your Company was conferred with the 'Best Innovation Brand' in the Education sector award at the ASSOCHAM National Brand Summit & Excellence Awards 2016.

During the year, Business World recognized NIIT as the 'Most Respected Education Company', while NIIT USA was featured in the 2015 'Top 20 Training Outsourcing Companies' for the ninth consecutive year by Training Industry, Inc.

People

Your Company, which derives its strength from its People, continued to invest in the development of its workforce, equipping NIITians with new age skills and competencies. During FY16, the Company remained focused on driving a performance-based culture through the goal setting and BSC process.

Leadership Development initiatives were introduced through the 'CEO's Leadership Circle' and 'Trailblazers' Club'.

NIIT rolled out special training interventions for the capability building of middle level managers. It additionally introduced a 'Role-Based Training and Certification' program for certain identified pivotal roles to ensure higher performance.

At the end of March 31, 2016, the people count at NIIT stood at 2,372 (excluding project staff) with 70 percent of people in direct roles, 11 percent percent in Sales & Marketing, and the balance in indirect roles.

Future outlook

The turnaround in business performance achieved during the year allowed your Company to start investing in the Renewal phase of its transformation.

As part of this phase, we are looking at new models for delivery and technology-based platforms that will help your Company build sustainable momentum in growth and profitability.

Going forward, we expect Corporate Learning's Managed Training Services business to get boosted by the demand for training outsourcing. With its track record of managing comprehensive MTS engagements for existing customers, corporate learning is set to leverage this capability and experience to accelerate growth through larger ticket annuity contracts.

In the year ahead, the Skills and Careers business, which has returned to growth and profitability in FY16, will push its recently introduced StackRoute and DigiNxt programs. This is expected to drive growth for its IT training portfolio.

Looking ahead we see our 'Beyond IT' programs continue their growth momentum, riding on the strong demand from private and public sector banks. These programs have been made available to the entire network of owned and business partner centers, which has greatly enhanced their revenue potential.

Additionally, NIIT will continue to focus on India and China to drive growth.

In the area of School Learning your Company will continue to ramp down the capex-driven and capital-intensive business in schools and focus on an IP-driven business in private schools. While this will impact revenue growth in the near term, completion of existing contracts for government schools will lead to an improvement in liquidity and capital efficiency of the business.

As I conclude my speech, I would like to thank each one of you for standing solidly behind NIIT and remaining our core strength in times of turbulence and change.

I am personally very excited about the year ahead, which I believe looks promising and eventful. There is much to look forward to as NIIT proactively seizes new business opportunities and sets a brisk pace for itself in FY 17.

Rajendra S Pawar
Chairman, NIIT Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS



Rajendra S Pawar
Chairman



Vijay K Thadani
Vice - Chairman & Managing Director



P Rajendran
Joint Managing Director



Surendra Singh
Director



Sanjay Khosla
Director



Anand Sudarshan
Director



Geeta Mathur
Director

CIN: L74899DL1981PLC015865

CHIEF EXECUTIVE OFFICER
RAHUL KESHAV PATWARDHAN

CHIEF FINANCIAL OFFICER
ROHIT KUMAR GUPTA

COMPANY SECRETARY
ARPITA B MALHOTRA

AUDITORS
PRICE WATERHOUSE

BANKS
INDIAN OVERSEAS BANK
ICICI BANK
STANDARD CHARTERED BANK
CITIBANK NA
BNP PARIBAS
WELLS FARGO BANK
BANK OF THE WEST
LLYODS TSB BANK PLC

REGISTERED OFFICE
8, BALAJI ESTATE, FIRST FLOOR
GURU RAVI DAS MARG, KALKAJI
NEW DELHI 110 019, INDIA
EMAIL (INVESTOR SERVICES): investors@niit.com
TEL NOS.: +91 11 4167 5000
FAX: + 91 11 41407 120

CORPORATE OFFICE
85, SECTOR 32, INSTITUTIONAL
GURGAON 122 001, INDIA
EMAIL: niit.webmaster@niit.com
TEL NOS.: +91 124 429 3000
FAX: +91 124 429 3333

REGISTRAR AND SHARE TRANSFER AGENT
ALANKIT ASSIGNMENTS LTD.
UNIT-NIIT LIMITED
ALANKIT HEIGHTS
1E/13, JHANDEWALAN EXTN.
NEW DELHI 110 055, INDIA
TEL NOS.: +91 11 2354 1234, 4254 1234
FAX: +91 11 4254 1967

WEBSITE
www.niit.com



NIIT AT A
GLANCE
2015-2016

Global Leadership in Skills and Talent Development

Established in 1981, NIIT Limited, a global leader in Skills and Talent Development, offers multi-disciplinary learning management and training delivery solutions to corporations, institutions and individuals in over 40 countries. NIIT has three main lines of business across the globe- Corporate Learning Group, Skills and Careers Group and School Learning Group.

NIIT's Corporate Learning Group (CLG) offers Managed Training Services (MTS) to market-leading companies in North America, Europe, Asia and Oceania.

The comprehensive suite of Managed Training Services includes Custom Curriculum Design and Content Development, Learning Administration, Learning Delivery, Strategic Sourcing, Learning Technology and Advisory Services. With a team of some of the world's finest learning professionals, NIIT is dedicated to helping customers increase the business value of learning and development (L&D). Built on the sound principles of 'Running Training like a Business', NIIT's Managed Training Services and best-in-class training processes enable customers to align business goals with L&D, reduce costs, realise measurable value, benefit from rock-solid operations and increase business impact.

NIIT's Skills and Careers Group (SNC) delivers a diverse range of learning and talent development programs to millions of individual and corporate learners in areas including Banking, Finance & Insurance, Retail Sales Enablement, Management Education, Multi-Sectoral Vocational Skills, Digital Media Marketing and programs in digital transformation technologies. These programs are delivered through a hybrid combination of the 'Cloud Campus' online platform, satellite-based 'Synchronous Learning Technology' and a physical network of hundreds of learning centers in India, China and select markets in Asia & Africa. The flagship multi-disciplinary course offerings include the industry-endorsed GNIIT-Digital

Transformation program and a set of **DigiNxt** Programs for students from different streams, apart from a wide range of specialist short duration programs.

To further strengthen its SNC portfolio in India, NIIT has tied up with industry majors like ICICI Bank for NIIT Institute of Finance Banking Insurance & Training Limited, IFBI; leading business schools in India for NIIT Imperia; Genpact for NIIT Uniqua; and a joint venture with NSDC for NIIT Yuva Jyoti Limited. Besides this, for the China market, NIIT has tied up with governments and software parks in Guian, Chongqing, Wuxi, Suzhou, Changzhou, Zhangjiagang, Haikou and Dafeng for state-of-the-art public-private partnership centres.

Recently NIIT has introduced - **StackRoute™** an initiative to produce the world's best full stack programmers. **StackRoute™** aims to create multi-skilled and multi-disciplinary programmers who can become key members of high-performance teams in top notch product engineering companies, start-ups and IT firms. Further the company has also launched **NIIT.tv** – a digital learning initiative that brings skills from NIIT classrooms to every digitally connected Indian, for free, at any time and place of their choice. A disruptive innovation by NIIT for the education space. NIIT.tv will deliver for the very first time, skill-based live courses as well as on-demand courses to the masses, through the digital medium.

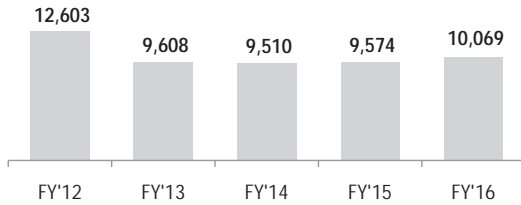
As NIIT's wholly owned subsidiary for its K-12 school learning initiative - **MindChampion Learning Systems Limited**, is providing technology based learning to around 2,000 private schools across India, reaching out to more than a million students. The futuristic NIIT nGuru range of learning solutions for schools comprises Interactive Classrooms with digital content, technology-driven Math Lab, IT Wizard programs and Quick School - an Education Resource Planning software.

Recent Awards and Acknowledgments

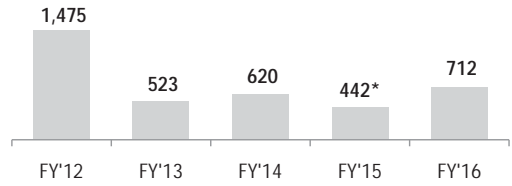
- NIIT has been featured as 'India's Most Trusted Education Brand, 2016' by Brand Trust Report for the fourth consecutive year.
- NIIT has been awarded the 'Best Innovation Brand' in the Education sector at the ASSOCHAM National Brand Summit & Excellence Awards 2016 .
- NIIT has been featured as the 'Most Respected Education Company, 2016' by Business World.
- NIIT.tv - a disruptive innovation by NIIT Limited has been awarded the 'Best online education platform' at the Indian Education Awards 2016 organized by Franchise India, India's leading Franchising publication.
- NIIT Yuva Jyoti has been recognized as the 'Best Institute – Innovation, 2016' by ASSOCHAM.
- NIIT USA received 8 'Brandon Hall Group Excellence Award 2015' jointly with Shell, GE, MetLife, Zurich North America and Westfield Insurance.
- NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Content Development – for the sixth consecutive year.
- NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Training Outsourcing – for the ninth consecutive year.
- NIIT USA has been ranked among TrainingIndustry.com's 2015 Top 20 Companies in Gamification – for the second consecutive year.
- NIIT USA has been ranked #22 Gold LearningElite member in the CLO LearningElite 2016 list, Chief Learning Officer magazine's prestigious program that honors the best organizations for learning and development.
- NIIT was conferred with two prestigious awards at 'The 5th Indian Education Awards 2015' organized by Franchise India. The company won the coveted Best Vocational Institute for Banking, Finance & Insurance award for NIIT Institute of Finance Banking & Insurance Training Ltd (IFBI). The prestigious Best Innovative Learning Tool award was presented to NIIT Guru MathLab Plus.
- NIIT Limited has been awarded the 'Franchisor of the Year Award 2015,' under the category 'Vocational & Skill Development Training Institute' by Franchise India, India's leading Franchising publication.

(Amount in INR Mn)

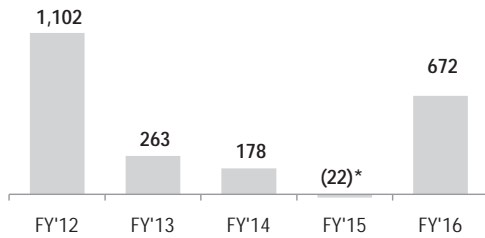
Revenue



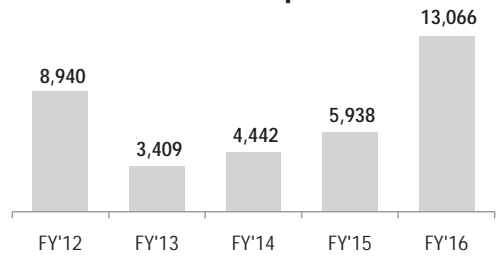
EBITDA



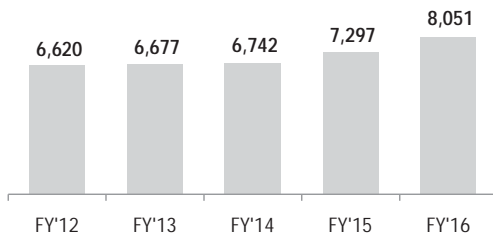
PAT



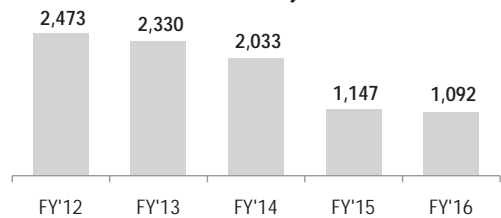
M-Cap



Net Worth



Net Fixed Asset (Incl CWIP)



Note:-

- 1) Due to divestment of Element K in October 2011, exceptional items and one-time hardware revenues in both FY'12 and FY'13, the over all financials of the Company for FY'12 and FY'13 are not comparable.
- 2) *EBITDA and PAT for FY'15 excludes Business transformation expenses.

NOTICE

Notice is hereby given that the 33rd Annual General Meeting ("AGM") of the Members of NIIT Limited will be held on Monday, 1st day of August, 2016, at 10:00 A.M. at Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi – 110074, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Reports of the Auditors and the Directors thereon.
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Rajendra S Pawar (DIN: 00042516), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Price Waterhouse, Chartered Accountants (FRN301112E), Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139(2),142(1) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, as amended from time to time, the appointment of M/s Price Waterhouse, Chartered Accountants (FRN301112E), be and is hereby ratified as Statutory Auditors of Company to hold office from the conclusion of this AGM until the conclusion of the next AGM of the Company at such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

4. RATIFICATION OF REMUNERATION OF COST AUDITOR

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an

Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, the remuneration of Rs. 267,500/- plus service tax and out of pocket expenses, payable to Ramanath Iyer & Co., Cost Accountants appointed as Cost Auditors of the Company for the Financial Year 2015-16 by the Board of Directors of the Company be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all such steps as may be deemed necessary, proper and expedient to give effect to this resolution."

By Order of the Board
For NIIT Limited

Arpita B Malhotra

Place: New Delhi
Date: May 10, 2016

Company Secretary
Membership No. ACS 21324

NOTES:

1. A Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Annual General Meeting is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 8, BALAJI ESTATE, FIRST FLOOR, GURU RAVI DAS MARG, KALKAJI, NEW DELHI – 110019, EITHER IN PERSON OR THROUGH POST NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ATTACHED WITH THE ANNUAL REPORT. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE

NOTICE (Contd.)

TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

The proxy form(s) which does not state the name of proxy and/or which is undated, unstamped or inadequately stamped or upon which the stamps have not been cancelled shall not be considered as valid.

Proxy-holder shall carry his/her identity proof (Driving License, Aadhaar Card, Voter ID Card, Passport, PAN Card) in order to prove his/her identity at the Annual General Meeting.

In case the meeting gets adjourned, the proxy given for the adjourned meeting, shall revoke the proxy for the original meeting.

A proxy later in date shall revoke any proxy/proxies dated prior to such proxy.

3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. All the documents referred in the Notice, Annual Report including Annual Financial Statements of the subsidiary companies and Register of Directors' Shareholding are open for inspection, during the business hours, at the Registered Office of the Company upto and including the date of Annual General Meeting.
5. Statutory Auditors' certificate certifying that the Company's stock option plan has been implemented in accordance with the applicable SEBI Guidelines and Regulations and in accordance with resolutions passed by the Members, will be available at the meeting for inspection by the Members.
6. The Register of Members and Share Transfer Books of the Company shall remain closed during the Book Closure period, i.e., from Saturday, July 23, 2016 to Monday, August 01, 2016, both days inclusive.
7. While Members holding shares in physical form may write to the Company for any change in their address and bank mandates, members having shares in electronic form may inform any change in address to their depository participant(s).
8. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
9. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH.13).
10. All unclaimed/unpaid dividend up to the Financial Year ended on March 31, 2008, have been transferred to the Investor Education and Protection Fund of the Central Government pursuant to Section 205A of the Companies Act, 1956 (corresponding Section 124 of Companies Act, 2013). Members who have not so far encashed dividend warrant(s) for the Financial Year ended March 31, 2009 and thereafter are requested to approach the Company by writing a letter to the Company at Registered Office address, immediately. As on March 31, 2016, the amount outstanding in unclaimed dividend account for the Financial Year ended March 31, 2009 is Rs. 1,862,569.80.
11. The Members desirous of obtaining any information/clarification concerning the Financial Statements and operations of the Company are requested to address their questions in writing to the Company Secretary at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting.
12. Pursuant to the provisions of the Companies Act, 2013 read with the rules framed thereunder, the Company may send Notice of General Meeting, Directors' Report, Auditors' Report, Audited Financial Statements and other documents through electronic mode. Further, pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company shall provide an advance opportunity at least once in a Financial Year to the members to register their e-mail IDs and changes therein. In view of the same, Members are requested to kindly update their e-mail IDs with depository participants in case of holding shares in demat form. If holding shares in physical form, members are requested to inform their e-mail IDs to the Company.
13. Electronic copy of the Notice of the 33rd Annual

NOTICE (Contd.)

General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail IDs, physical copies of the aforesaid documents are being sent by the permitted mode.

14. Voting through electronic means :

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited ("NSDL").

The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their rights at the AGM through ballot paper.

II. The remote e-voting period commences on July 28, 2016 (9:00 A.M.) and ends on July 31, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 25, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date

should treat this notice for information purposes only.

III. The process and manner for remote e-voting are as under:

- (i) NSDL shall be sending the User ID and Password to those members whose shareholding is in the dematerialized format and whose e-mail IDs are registered with the Company/Depository Participant(s). For members who have not registered their e-mail IDs, can use the details as provided in the e-voting instruction being sent along with the Notice.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder-Login
- (iv) Put User ID and Password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "NIIT LIMITED".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to officenns14@gmail.com with a copy marked

NOTICE (Contd.)

- to evoting@nsdl.co.in
- IV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- V. If you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password/PIN for casting your vote.
- VI. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 25, 2016.
- VIII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. July 25, 2016, may obtain the login ID and password by sending a request at e-voting@nsdl.co.in or investors@niit.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at toll free no.: 1800-222-990.
- IX. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XI. Mr. Nityanand Singh, Company Secretary (Membership No. FCS 2668) from M/s. Nityanand Singh & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall provide, not later than forty eight (48) hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith. The results of the voting shall be displayed on the Notice Board of the Company at its Registered office as well as Corporate office.
- XIV. The Results declared along with the report of the Scrutinizer shall be displayed on the website of the Company www.niit.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to NSE and BSE.
15. **THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/ PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS / PROXIES MAY PLEASE NOTE THAT NO GIFTS / GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.**
16. Information pursuant to Regulation 36(3) of the Listing Regulations, pertaining to the Director proposed to be re-appointed vide Item No. 2 of the Notice, is as follows:

NOTICE (Contd.)

Name	Rajendra S Pawar
Date of Birth	March 06, 1951
Date of Appointment	December 02, 1981
Qualifications	B. Tech
Expertise in specific functional area	Detailed in the Corporate Governance Report for the Financial Year 2015-16
Directorship held in other listed companies	NIIT Technologies Limited
Membership (M)/ Chairpersonship (C) of Committees of other listed companies (includes only Audit Committee (AC) and Stakeholders Relationship Committee (SRC))	NIL
Number of Equity Shares held in the Company	584,853*
Relationship with other Directors	None

*Including 155,000 Equity Shares as first holder with spouse, 427,326 Equity Shares as second holder with spouse and 2,527 Equity Shares as Karta of HUF.

STATEMENT IN RESPECT OF SPECIAL BUSINESS (Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO.4

The Board at its meeting held on September 8, 2015, on the recommendation of the Audit Committee, has appointed Ramanath Iyer & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2015-16 at a remuneration of Rs. 267,500/- plus service tax and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, the remuneration as mentioned above, payable to the cost auditor is required to be ratified by the shareholders of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4.

The Board recommends the resolution for your approval.

By Order of the Board
For NIIT Limited

Arpita B Malhotra
Company Secretary

Place: New Delhi
Date: May 10, 2016 Membership No. ACS 21324

DIRECTORS' REPORT

Dear NIIT Shareowner,

Your Directors take pleasure in presenting the 33rd Annual Report along with the Audited Financial Statements for the Financial Year ended March 31, 2016.

Financial Highlights

The highlights of your Company's Financial Results for the Financial Year April 1, 2015 to March 31, 2016 are as follows:

(Rs. Mn.)

Particulars	NIIT Limited-Group (Consolidated)		NIIT Limited (Standalone)	
	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15
Net Sales (Income from operations)	10,069	9,574	3,815	3,486
Other Income	76	131	404	369
Total Income	10,145	9,705	4,219	3,855
Total Expenditure	9,595	9,489	3,952	3,703
Profit before depreciation and taxes	550	216	267	152
Depreciation and Amortization	492	1,073	282	431
Exceptional Items (Net)	16	(803)	22	(848)
Net tax provision	37	12	6	34
Net profit/ (loss) before share of Associates' Profit & Minority Interest	37	(1,671)	1	(1,161)
Share of Associates' Profit and Minority Interest	635	286	-	-
Net Profit/(Loss)	672	(1,385)	1	(1,161)
Basic EPS (Rs.)	4.07	(8.39)	0.01	(7.03)
Diluted EPS (Rs.)	4.01	(8.39)	0.01	(7.03)

During the year, your Company's consolidated income from operations was Rs. 10,069 million as against Rs. 9,574 million in the previous year and Net Profit (after Share of Associates' Profit and Minority Interest) Rs. 672 million as against loss of Rs. 1,385 million in the previous year.

The income from operations for the year under review for the Company on a Standalone basis was Rs. 3,815 million as compared to Rs. 3,486 million in the previous year and Net profit of Rs. 1 million as against the loss of Rs. 1,161 million in the previous year.

Business Operations

The growth momentum continued in the Corporate Learning business. In the corporate training market your Company continues to focus on Managed Training Services (MTS). Revenue from Corporate Learning Group (CLG) grew 16% year-on-year, driven by strong momentum in MTS, which was up 12% as compared to the previous year. This was achieved despite headwinds due to sharp decline in commodity prices which impacted decision making in certain sectors including the Energy Sector. NIIT added 7 new global MTS customers in FY16 including 4 in Q4 FY16. As on March 31, 2016 the company had 31 MTS customers, with a revenue visibility of USD 200 million over the balance period of existing contracts. The business achieved EBITDA margin of 12%. Operating profit (EBITDA) was up 17% year-on-year. CLG contributed 56% to the total consolidated revenue of NIIT.

Your Company benefited from the comprehensive business transformation program undertaken by business in previous year which included a review of the entire portfolio of businesses, geographies and products with the objective of exiting low margin and low volume products, capital intensive businesses and sharpen focus on asset - light, high-return and growth-oriented offerings. The Individual Learning business and Skill Building business operations were combined into a single Skills & Careers Group (SNC). This transformation program helped the company to return to growth and achieve positive EBITDA margin in FY16.

This was achieved despite continuing headwinds in the IT sector hiring in India. The company had responded to the headwinds in the business by focusing on growing its Beyond-IT portfolio of offerings. The contribution from Beyond-IT portfolio of courses increased to 40% in FY16 as compared to 33% last year with a 23% increase in revenue as compared to the previous year. The business achieved robust growth in revenue from International markets and in B2B offerings in India as a result of sharper focus and realignment of operations. In addition, new transformation initiatives launched during the year including StackRoute and NIIT.tv received encouraging response from the market.

Overall, the revenue achieved by the Skills & Careers business grew 1% year-on-year versus a decline of 18% in FY15. Significant growth was achieved on a reduced capacity versus last year.

DIRECTORS' REPORT (Contd.)

The business had a positive 2% EBITDA margin as compared to negative 5% EBITDA margin in FY15, an improvement of 698 basis points. The Skills & Careers business contributed 33% to NIIT's consolidated revenue.

In the School Learning Business, the company continues to stay away from capital intensive and capex-driven business models. While this impacted the overall revenue and margins, the company continues to improve its liquidity and capital efficiency. The focus for the School Learning Group (SLG) is on growing the asset-light, IP-driven product offerings. In FY16, revenue from SLG declined 25% year-on-year. The business had 2% EBITDA margins for the year and contributed 11% to NIIT's revenues for FY16.

On an overall basis, NIIT achieved revenues of Rs. 10,069 million, a growth of 5% as compared to the previous Financial Year. The strong growth in Corporate Learning and turn around in Skills and Careers Business helped to overcome planned ramp down of revenue from government schools. EBITDA was Rs. 712 million as compared to Rs. 442 million last year (excluding one-time transformation charge in FY15).

Future Plans

The Company continues to focus on an asset light, technology intensive and IP driven business opportunities. In the Corporate Learning Business, the Company expects to continue growth momentum driven by strong demand for outsourcing of training to specialist training companies. The Company has started the new Financial Year with robust pipeline of MTS opportunities.

In the Skills and Careers Business, softness in hiring of IT graduates is expected to continue in the short term and would impact enrolments. However, the increasing trend of digitization across industries and disruption of traditional industries by start-ups is driving demand for Digital skills. NIIT has kicked off a program of Digital transformation of its portfolio of courses to align with increasing demand of such courses. In addition, in the medium to long term, your company plans to transform training delivery from brick and mortar centres to a multi-modal, multi-channel delivery modal involving a greater proportion of delivery online.

NIIT will continue to defocus capex driven business and exit capital intensive government schools. The company believes that there is a large opportunity in the K-12 market and plans to leverage existing operations in

the schools to offer comprehensive managed services to schools as well as offer products and services to students outside school through digital channels.

Dividend

Your Directors have not recommended any Dividend for the year under review.

Transfer to Reserves

Your Company has not transferred any sum to the General Reserve.

Awards and Accolades

During the year, the NIIT Brand received accolades from across the world recognizing and commending various aspects of the Company. Some of them are listed below:

- NIIT has been featured as 'India's Most Trusted Education Brand, 2016' by Brand Trust Report for the fourth consecutive year.
- NIIT has been awarded the 'Best Innovation Brand' in the Education sector at the ASSOCHAM National Brand Summit & Excellence Awards 2016.
- NIIT has been featured as the 'Most Respected Education Company, 2016' by Business World.
- NIIT.tv - a disruptive innovation by NIIT Limited has been awarded the 'Best online education platform' at the Indian Education Awards 2016 organized by Franchise India, India's leading Franchising publication.
- NIIT Yuva Jyoti has been recognized as the 'Best Institute - Innovation, 2016' by ASSOCHAM.
- NIIT USA received 8 'Brandon Hall Group Excellence Award 2015' jointly with Shell, GE, MetLife, Zurich North America and Westfield Insurance.
- NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Content Development - for the sixth consecutive year.
- NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Training Outsourcing - for the ninth consecutive year.
- NIIT USA has been ranked among TrainingIndustry.com's 2015 Top 20 Companies in Gamification - for the second consecutive year.
- NIIT USA has been ranked #22 Gold LearningElite member in the CLO Learning Elite 2016 list, Chief Learning Officer magazine's prestigious program

DIRECTORS' REPORT (Contd.)

that honors the best organizations for learning and development.

- NIIT was conferred with two prestigious awards at 'The 5th Indian Education Awards 2015' organized by Franchise India. The company won the coveted Best Vocational Institute for Banking, Finance & Insurance award for NIIT Institute of Finance Banking & Insurance Training Ltd (IFBI). The prestigious Best Innovative Learning Tool award was presented to NIIT Guru MathLab Plus.
- NIIT Limited has been awarded the 'Franchisor of the Year Award 2015,' under the category 'Vocational & Skill Development Training Institute' by Franchise India, India's leading Franchising publication.

Changes in Capital Structure

Pursuant to the composite Scheme of Arrangement under the provisions of Section 391 and 394 of the Companies Act, 1956 between NIIT Limited, Evolv Services Limited, Scantech Evaluation Services Limited, NIIT Online Learning Limited and MindChampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) and their respective shareholders and creditors, which was approved by the Hon'ble Delhi High Court vide its Order pronounced on May 08, 2015 and which became effective from May 23, 2015 on filing the certified copy of High Court Order with the Registrar of Companies, NCT of Delhi and Haryana, and was applicable from April 01, 2014 ("the Appointed Date"), the Authorized Share Capital of the Company was increased to Rs. 1,386,000,000/- comprising of 150,000,000 Equity Shares of Rs. 1/- each, 250,000,000 Equity Shares of Rs. 2/- each, 13,600,000 Equity Shares of Rs. 10/- each, 350,000,000, 8.5% Cumulative Redeemable Preference shares of Rs. 1/- each and 2,500,000 Redeemable Preference Shares of Rs. 100/- each.

During the year, the Company has consolidated 150,000,000 Equity Shares of Rs. 1/- each into 75,000,000 Equity Shares of Rs. 2/- each and sub-divided 13,600,000 Equity Shares of Rs. 10/- each into 68,000,000 Equity Shares of Rs. 2/- each.

During the year under review, the Company has allotted 330,636 Equity Shares under the NIIT Employee Stock Option Scheme 2005.

Subsidiary Companies

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013 is provided as Annexure-A in the prescribed Form AOC-1.

The Annual Financial Statements of the subsidiaries will be made available to the Members of the Company/ Subsidiary Companies seeking such information at any point of time. The Annual Financial Statements of the subsidiaries are also available for inspection for any Member, during the business hours, at the Registered Office of the Company and subsidiary companies and the same can be accessed from the website of the Company i.e. www.niit.com.

Consolidated Financial Statements

In compliance with Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 129(3) of the Companies Act, 2013 read with the relevant rules made thereunder, the Consolidated Financial Statements are prepared in accordance with the Accounting Standard (AS) - 21 on Consolidated Financial Statements, read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures. The Consolidated Financial Statements together with Auditors' Report thereon form part of the Annual Report.

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 08, 2015 (date of last Annual General Meeting) on the website of the Company <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>

DIRECTORS' REPORT (Contd.)

Corporate Social Responsibility (CSR)

In compliance with the requirement of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, the Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). As on the date of this report, following are the members of CSR Committee:

1. Mr. Surendra Singh - Chairperson
2. Mr. Rajendra S Pawar
3. Mr. Vijay K Thadani
4. Mr. Anand Sudarshan

The CSR Policy as approved by the Board of Directors of the Company is available on the Company's website at <http://www.niit.com/authoring/Documents/Other%20Disclosures/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>.

During the year under review, the provisions corresponding to CSR under the Companies Act, 2013 were not applicable on the company. Accordingly, the Company has not made any grant during the Financial Year 2015-16 towards CSR initiatives. The Report on CSR Activities is given in Annexure - B forming part of this Report.

Corporate Governance

Your Company's philosophy on Corporate Governance envisages the highest level of transparency, accountability and equity in all facets of its operations as well as in all interactions with its Stakeholders including Shareholders, NIITians, Lenders and Regulatory Authorities. Your Company has also implemented several best practices in Corporate Governance, such as "Whistle blower policy" and "Code of Conduct on Ethics".

Your Company has complied with all the requirements relating to Corporate Governance as stipulated in the Listing Regulations. The Report of the Directors on Corporate Governance is given as a separate section titled "Corporate Governance Report". The Certificate from the Practicing Company Secretary confirming the compliance to the conditions of the Corporate Governance stipulated in Para E of Schedule V of Listing Regulations is annexed to the Corporate Governance Report.

Management Discussion and Analysis Report

As required by Regulation 34(e) of the Listing

Regulations, the Management Discussion and Analysis Report is annexed and forms part of this Annual Report.

Directors

As per the provisions of Section 152(6) of the Companies Act, 2013, Mr. Rajendra S Pawar will retire by rotation in the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 of Listing Regulations.

Key Managerial Personnel

As on date of this report, following officials are the 'Key Managerial Personnel' of the Company under the Companies Act, 2013:

1. Mr. Vijay K Thadani – Vice Chairman & Managing Director
2. Mr. P Rajendran – Joint Managing Director
3. Mr. Rahul Keshav Patwardhan – Chief Executive Officer
4. Mr. Rohit Kumar Gupta – Chief Financial Officer
5. Ms. Arpita B Malhotra – Company Secretary

During the year under review, Mr. Mukesh Kumar resigned as Company Secretary of the Company w.e.f. the close of business hours on December 02, 2015. After the end of Financial Year, Ms. Arpita B Malhotra has been appointed as Company Secretary of the Company w.e.f. May 10, 2016.

Meetings of the Board

During the year, Six (6) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations. For further details, please refer Corporate Governance Report forming part of this Annual Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, CSR and Stakeholders' Relationship Committees. A structured evaluation form was administered after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and

DIRECTORS' REPORT (Contd.)

its Committees, Board Effectiveness, Key Stakeholders connect, Ethics and Compliances, Evaluation of Company's Performance, Project Management and Internal Control and Audits. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, effective participation in Board / Committee Meetings, independence of judgement, safeguarding the interest of the Company and its minority shareholders, providing expert advice to Board and contributing in deliberations while approving related party transactions.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed the Nomination and Remuneration Policy as stated in the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of Listing Regulations, a Vigil Mechanism for Directors and employees to report genuine concerns has been established by the Company. The Whistle Blower Policy is available on the website of the Company at the following link: <http://www.niit.com/authoring/Documents/Other%20Disclosures/Whistle%20Blower%20Policy.pdf>

Directors' Responsibility Statement

As required under Section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Board of Directors of your Company hereby state and confirm:

- a) That in the preparation of the Annual Accounts, the applicable Accounting Standards were followed along with proper explanation relating to material departures;
- b) That the directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit and loss of the Company for that period;
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company

and for preventing and detecting fraud and other irregularities;

- d) That the directors had prepared the Annual Accounts on a going concern basis;
- e) That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Information relating to Conservation of Energy, Technology Absorption, Research and Development, Exports, Foreign exchange earnings and Outgo and other information forming part of the Directors' Report in terms of Section 134(3)(m) of the Companies Act, 2013, and the Rules made thereunder.

a) Conservation of energy

Although the operations of the Company are not energy intensive, the management has been highly conscious of the criticality of conservation of energy at all the operational levels and efforts are made in this direction on a continuous basis. Adequate measures have been taken to reduce energy consumption whenever possible by using energy efficient equipment. The requirement of disclosure of particulars with respect to conservation of energy as prescribed in Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are not applicable to the Company and hence are not provided.

b) Technology absorption

Your Company believes that in addition to progressive thought, it is imperative to invest in research and development to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has entered into alliances / tie-ups with major global players in the Information Technology industry to harness and tap the latest and the best of technology in its field, upgrade itself in line with the latest technology in the world and deploy / absorb technology wherever feasible, relevant and appropriate.

c) Research and Development

The Company believes that technological obsolescence is a reality. Only progressive research and development

DIRECTORS' REPORT (Contd.)

will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature and size of operations of your Company.

- d) Foreign exchange earnings and outgo
- i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

The Company exports customized learning content to its overseas clients to meet their varying learning needs. The Company develops content in a range of subjects for widely varied audience. The Company will continue to strengthen its presence in USA, Europe, China, Africa, South East Asia etc. with a view to increase exports.

- ii) Total foreign exchange earned and used

The details of foreign exchange earnings and outgo are mentioned in Notes Nos. 31 to 34 contained in the Notes forming part of the Annual Financial Statements for the Financial Year ended March 31, 2016.

Auditors and Auditors' Report

M/s Price Waterhouse, Chartered Accountants (Firm Registration Number FRN301112E) were appointed as Statutory Auditors of the Company at the 31st Annual General Meeting of the Company to hold office from the conclusion of the Annual General Meeting held in the year 2014 till the conclusion of the Annual General Meeting scheduled to be held in the year 2017 subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the said Act.

The notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not require any further comments.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Nityanand Singh & Co., Company Secretaries to conduct Secretarial Audit for the Company for the Financial Year 2015-16. The Secretarial Audit Report is annexed herewith as Annexure-C. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, upon recommendation of the Audit Committee, have appointed M/s. Ramanath Iyer and Co., Cost Accountants, New Delhi as the Cost Auditors of the Company, to carry out the cost audit for the Financial Year 2015-16. The ratification of remuneration payable to Cost Auditors is being sought from the members of the Company at the ensuing AGM.

Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT-9 in terms of Section 92(3) of the Companies Act, 2013 is annexed herewith as Annexure-D.

Related Party Transactions

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a Related Party Transactions Policy for identifying, reviewing and approving transactions between the Company and Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and Listing Regulations. The said Policy is available on the website of the Company at http://www.niit.com/authoring/Documents/Other%20Disclosures/Related%20Party%20Transactions%20Policy_final.pdf.

All Related Party Transactions are placed before the

DIRECTORS' REPORT (Contd.)

Audit Committee and also before the Board for its approval. The details of contracts or arrangements with related parties in form AOC-2 is annexed herewith as Annexure-E.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

Particulars of Employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure-F(a) to this Report.

A statement containing the names of every employee employed throughout the Financial Year and in receipt of remuneration of Rs. 60 lakh or more, or employed for part of the year and in receipt of Rs. 5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as Annexure-F(b) to this Report.

Public Deposits

In terms of the provisions of Section 73 to 76 of the Companies Act, 2013 read with the relevant rules made thereunder, your Company has not accepted any fixed deposits from the public.

Detail of significant and material orders passed by the regulators, courts, tribunals

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

Human Resources and Employee Stock Option Scheme

NIITians are the key resource for your Company. Your Company has been able to create and continuously improve a favorable work environment that encourages innovation and meritocracy at all levels.

Employee relations remained cordial at all the Company's locations. The Directors take this opportunity to record their appreciation for the outstanding contribution of all NIITians.

During the Financial Year 2005-06, your Company had set up NIIT Employee Stock Option Plan 2005

(ESOP-2005) with the objective of attracting and motivating employees by rewarding performance and retaining the best talent. The aim is to develop a sense of ownership among the employees within the organization and to align your Company's stock option scheme with the best practices in the Industry. In accordance with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the particulars of the options granted, vested, exercised and allotted under the ESOP-2005 are appended as Annexure-G and form part of this report.

The Nomination and Remuneration Committee has granted 1,600,000 Employee Stock Options (Grant #12) at Rs. 41.60 per option/share in June 2015, 1,535,000 Employee Stock Options (Grant #13) at Rs. 52.15 per option/share in July 2015, 35,000 Employee Stock Options (Grant #14) at Rs. 75.65 per option/share and 90,000 Employee Stock Options (Grant #15) at Rs. 75.65 per option/share in January 2016 to the eligible employees under ESOP-2005.

Further, none of the employee was granted options equal to or exceeding 1% of the issued capital of the Company.

Acknowledgement

Your Directors take this opportunity to thank all investors, clients, licensees, technology partners, vendors, financial institutions, banks, regulatory and governmental authorities, media and stock exchanges for their continued support during the year under review. We place on record our appreciation of the contribution made by our employees at all levels.

For and on behalf of the Board

Rajendra S Pawar

Chairman

DIN: 00042516

Place : New Delhi

Date : May 10, 2016

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES & ASSOCIATES

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]
PART A - SUBSIDIARIES

(Amount in Rs. Million except % of share holding)

S. No.	Name of the Subsidiary Company	Currency *	Exchange Rate	Financial Year ended	Share Capital	Reserves [Refer Note 2 below]	Total Assets	Total Liabilities	Deals of Investment (Except increase of Investment in Subsidiary)	Turnover [Refer Note 3 below]	Profit/ (Loss) Before Taxation	Provision for tax/ Deferred tax charge/ (credit)	Profit/ (Loss) after taxation	Dividend Proposed/ Paid	% of Share holding
1	MindChampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall Education Limited)	INR	1 INR = 1 INR	March 31, 2016	190.64	(592.62)	1,262.00	1,663.98	-	1,064.46	(16.85)	-	(16.85)	-	100
2	NIIT Institute of Finance Banking and Insurance Training Limited	INR	1 INR = 1 INR	March 31, 2016	101.13	(33.72)	95.17	27.76	-	221.36	67.13	0.49	66.64	-	80.67
3	NIIT Institute of Process Excellence Limited	INR	1 INR = 1 INR	March 31, 2016	220.00	(45.73)	204.69	30.42	-	186.35	32.47	1.81	30.66	-	75
4	NIIT Yuvo Jyoti Limited	INR	1 INR = 1 INR	March 31, 2016	231.32	(360.58)	208.79	338.05	-	115.55	(42.41)	-	(42.41)	-	90
5	NIIT (USA) Inc., USA	USD	1 USD = 66.1753 INR	March 31, 2016	530.71	211.24	1,737.80	995.85	-	3,058.62	21.35	6.41	14.94	-	100
6	NIIT Antilles NV, Netherlands Antilles	USD	1 USD = 66.1753 INR	March 31, 2016	2,044.72	(1,760.91)	377.42	93.61	-	112.11	11.36	0.03	11.33	-	100
7	NIIT GC Limited, Mauritius	USD	1 USD = 66.1753 INR	March 31, 2016	118.70	(92.78)	98.13	72.21	-	(3.16)	-	-	(3.16)	-	100
8	NIIT Limited, U.K.	GBP	1 GBP = 95.1623 INR	March 31, 2016	12.65	17.58	949.89	919.66	-	2,239.06	35.99	5.30	30.69	-	100
9	NIIT Malaysia Sdn Bhd, Malaysia	MYR	1 MYR = 17.0973 INR	March 31, 2016	71.10	(17.56)	92.41	38.87	-	67.43	7.72	-	7.72	-	100
10	PT NIIT Indonesia, Indonesia	IDR	1 IDR = 0.0050 INR	March 31, 2016	7.56	(7.56)	-	-	-	-	-	-	-	-	100
11	NIIT Ireland Limited	EUR	1 EUR = 75.3674 INR	March 31, 2016	10.97	(5.96)	33.87	28.86	-	17.70	(5.80)	-	(5.80)	-	100
12	NIIT West Africa Limited	NGN	1 NGN = 0.3325 INR	March 31, 2016	3.32	(13.79)	96.43	106.90	-	51.05	4.77	0.08	4.69	-	100
13	NIIT China (Shanghai) Limited, Shanghai	CNY	1 CNY = 10.2682 INR	March 31, 2016	30.59	(6.00)	259.17	234.58	-	255.83	48.76	11.06	37.70	-	100
14	NIIT Wuxi Service Outsourcing Training School	CNY	1 CNY = 10.2682 INR	March 31, 2016	4.50	50.93	80.94	25.51	-	146.89	2.74	2.90	(0.16)	-	60
15	Chongqing NIIT Education Consulting Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	5.39	(14.15)	16.72	25.48	-	61.14	5.68	-	5.68	-	60
16	Wuxi NIIT Information Technology Consulting Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	5.73	1.12	6.87	0.02	-	(0.04)	-	-	(0.04)	-	60
17	Changzhou NIIT Information Technology Consulting Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	3.43	9.39	18.10	5.28	-	35.26	5.56	(0.41)	5.97	-	60
18	Su Zhou NIIT Information Technology Consulting Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	3.44	20.53	36.34	12.37	-	47.82	3.08	0.95	2.13	-	60
19	Qingdao NIIT Information Technology Company Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	13.13	(13.52)	4.81	5.20	-	(2.78)	0.01	(2.78)	(2.79)	-	100
20	Chongqing An Dao Education Consulting Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	4.38	2.67	11.14	4.09	-	29.77	1.75	(1.25)	3.00	8.16	65
21	Zhangjiagang NIIT Information Services Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	4.31	11.51	21.08	5.26	-	20.93	9.82	1.80	8.02	-	60
22	Dengfeng NIIT Information Technology Company Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	4.39	3.03	11.82	4.40	-	19.83	2.92	1.22	1.70	-	100
23	Dafeng NIIT Information Technology Company Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	-	0.93	1.22	0.29	-	3.45	1.72	0.78	0.94	-	60
24	Guizhou NIIT Information Technology Consulting Company Limited	CNY	1 CNY = 10.2682 INR	March 31, 2016	-	-	9.32	9.32	-	-	-	-	-	-	100

* Local currency of the respective entity in which financials are made.

Notes: 1. Amount in foreign currency in the Financial Statements of the subsidiaries mentioned above have been converted in Indian Rupee equivalent as per the generally accepted accounting principles in India.

2. Reserves include Currency Translation Reserve.

3. Turnover does not include Other Income.

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES & ASSOCIATES

ANNEXURE- 'A' (Contd.)

PART B - ASSOCIATES

S. No.	Name of Associates	Latest Audited Balance Sheet Date	Shares of Associate held by the company on the year end		Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. Million)	Profit / (Loss) for the year	
			No. of shares	Amount of Investment in Associates (Rs. Million)				Considered in consolidation (Rs. Million)	Not considered in consolidation
1	NIIT Technologies Limited	March 31, 2016	14,493,480	5,186.90	NIIT Limited holds more than 20%	NA	3,490.57	663.24	NA

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN – 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Place : New Delhi
Date : May 10, 2016

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company’s CSR policy (“Policy”) spells out NIIT’s philosophy towards its social responsibilities and lays down the guidelines, framework and mechanism relating to the implementation, monitoring, reporting, disclosure, evaluation and assessment of projects, programs and activities forming part of NIIT’s CSR.

The Policy is displayed on the website of the Company at <http://www.niit.com/authoring/Documents/Other%20Disclosures/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>

2. Composition of the CSR Committee:

- i) Mr. Surendra Singh - Chairperson
- ii) Mr. Rajendra S Pawar
- iii) Mr. Vijay K Thadani
- iv) Mr. Anand Sudarshan

3. Average net profit/ loss of the Company for last three Financial Years: Net Loss of Rs. 65.89 million

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : NA

5. Details of CSR expenditure for the Financial Year:

- a) Total amount spent for the Financial Year: Nil
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the Financial Year:

S. No.	Project/ Activities	Sector	Location	Amount outlay (budget)project or programs wise (in Rs.)	Amount spent on the projects or programs (in Rs.)	Cumulative expenditure up to the reporting period (in Rs.)	Amount spent Direct or through implementing agency
NA							

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN: 00042516

Place: New Delhi
Date: May 10, 2016

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of
the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
NIIT Limited
8, Balaji Estate, First Floor,
Guru Ravi Das Marg,
Kalkaji, New Delhi -110019, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NIIT Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit for the year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended March 31, 2016, in accordance to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

VI. Other Laws which are applicable to the Company:

- The Employees' Provident Fund & Miscellaneous Provisions Act, 1952
- The Employees State Insurance Act, 1948
- The Payment of Gratuity Act, 1972
- The Labour Laws, Law relating to Payment of Wages and Laws relating to conditions of Service and employment
- Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013
- Direct and Indirect Taxes –Income Tax Act, 1961, Service Tax, Customs Act, Value Added Tax Act, Sales Tax.
- Miscellaneous Act:
 - a) Information Technology Act, 2000
 - b) Indian Contract Act, 1965
 - c) Limitation Act, 1963
 - d) Indian Evidence Act, 1872
 - e) Negotiable Instrument Act, 1881
 - f) Trade Mark Act, 1999
 - g) Copyright Act, 1957
 - h) Patent Act, 1970
 - i) The Environment (Protection) Act, 1986
 - j) The Consumer Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

- i) The Secretarial Standards formulated by The Institute of Company Secretaries of India and notified by Central Government.
- ii) The Listing Agreements entered into by the Company with the National Stock Exchange and Bombay Stock Exchange.
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following:-

1. Secretarial Standard-1 and Secretarial Standard -2 were issued and notified by the Institute of Company Secretaries of India on 1st July, 2015. Hence compliance was checked from that date. Secretarial Standard -3 to 10 are yet to be notified, hence same are not applicable to the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- 1) A composite Scheme of Arrangement under the provisions of section 391 and 394 of the Companies Act, 1956 between NIIT Limited, Evolv Services Limited, Scantech Evaluation Services Limited, NIIT Online Learning Limited and Hole-in-the-Wall Education Limited and their respective shareholders and creditors was approved by the Hon'ble Delhi High Court vide its order pronounced on May 08, 2015. The scheme became effective from May 23, 2015 on filing a certified copy of the High Court order with the Registrar of the Companies, NCT of Delhi and Haryana. On Scheme becoming effective, the School Business Undertaking stands transferred to and vested in the wholly owned subsidiary of the Company namely Hole-in-the-Wall Education Limited (the Name of the Company has been changed to MindChampion Learning Systems Limited).

Further, Evolv Services Limited, Scantech Evaluation Services Limited and NIIT Online Learning Limited, the wholly owned subsidiaries of the Company stand merged with the Company pursuant to the Scheme.

- 2) Pursuant to the Scheme of Arrangement, the Authorised share capital of the Company was increased to Rs. 1,386,000,000/- divided into 150,000,000 Equity Shares of Re. 1/- each, 250,000,000 Equity Shares of Rs. 2/- each, 13,600,000 Equity Shares of Rs. 10/- each, 350,000,000 8.5% Cumulative Redeemable Preference shares of Re. 1/- each and 2,500,000 Redeemable Preference Shares of Rs. 100/- each.

The Company has consolidated 150,000,000 Equity Shares of Re. 1/- each into 75,000,000 Equity Shares of Rs. 2/- each and sub-divided 13,600,000 Equity Shares of Rs. 10/- each into 68,000,000 Equity Shares of Rs. 2/- each.

- 3) During the year, the Company has allotted 330,636 Equity Shares of Rs. 2/- each under the NIIT ESOS "ESOP-2005" Scheme.

We also report that the compliances of other applicable laws, as listed in Para (VI) above, are based on the Management Certifications.

For Nityanand Singh & Co.,
Company Secretaries

Nityanand Singh (Prop.)
FCS No.: 2668/ CP No. : 2388

Place: New Delhi
Date: 10th May 2016

Note:

This report is to be read with our letter of even date which is annexed as Annexure –A and forms an integral part of this report.

To,
The Members,
NIIT Limited
8, Balaji Estate, First Floor,
Guru Ravi Das Marg,
Kalkaji, New Delhi -110019.

Annexure-A

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Nityanand Singh & Co.,
Company Secretaries

Nityanand Singh (Prop.)
FCS No. : 2668/ CP No. : 2388

Place: New Delhi
Date: 10th May 2016

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration Rules, 2014)]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	L74899DL1981PLC015865
ii) Registration Date	:	02-12-1981
iii) Name of the Company	:	NIIT Limited
iv) Category / Sub-Category of the Company	:	Company Limited by Shares
v) Address of the Registered office and contact details	:	8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110 019 Tel Nos.: +91 11 4167 5000
vi) Whether listed company	:	Yes
vii) Name, Address and contact details of Registrar and Transfer Agent, if any	:	Alankit Assignments Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi – 110 055 Tel Nos. : +91 11 4254 1234, 2354 1234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / Services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of Training Services	854	76%
2	Sale of courseware and training material	854	24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	MindChampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	U72200DL2001PLC111674	Subsidiary	100	2(87)(ii)
2	NIIT Institute of Finance Banking and Insurance Training Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	U80903DL2006PLC149721	Subsidiary	80.67	2(87)(ii)
3	NIIT Institute of Process Excellence Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	U72300DL2008PLC176254	Subsidiary	75	2(87)(ii)
4	NIIT Yuva Jyoti Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	U80904DL2011PLC219784	Subsidiary	90	2(87)(ii)
5	NIIT (USA) Inc., USA 1050, Crown Pointe Parkway, 5th Floor, Atlanta GA 30338, USA	NA	Subsidiary	100	2(87)(ii)
6	PT NIIT Indonesia, Indonesia PT. Mercator Services Indonesia, Gedung Wisma Udaya, Jl. Danau Sunter Selatan, Blok IV No.35, Jakarta Utara 14340	NA	Subsidiary	100	2(87)(ii)

7	NIIT Antilles NV, Netherlands, Antilles Landhuis Joonchi Kaya Richard J. Beaujon Z/N P.O. Box 837, Curacao Netherlands Antilles	NA	Subsidiary	100	2(87)(ii)
8	NIIT Malaysia Sdn Bhd, Malaysia 6th Floor, Plaza See Hoy Chan, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia	NA	Subsidiary	100	2(87)(ii)
9	NIIT GC Limited, Mauritius C/o Abax Corporate Services Ltd., 6th Floor, Tower A, 1 Cyber City, Ebene Republic of Mauritius	NA	Subsidiary	100	2(87)(ii)
10	NIIT China (Shanghai) Limited, Shanghai 22301-660, 14 Building, Pudong software Park, House No. 498, Guo ShouJin Road, Zhang Jiang Hi-tech Park, Shanghai -201203, PRC	NA	Subsidiary	100	2(87)(ii)
11	NIIT Wuxi Service Outsourcing Training School 18 zheng Ze Road, Building of Cancer Part, National(Wuxi) Software IT Part, Wuxi City, PRC	NA	Subsidiary	60	2(87)(ii)
12	NIIT Limited, UK 100 New Bridge Street London EC4V 6JA	NA	Subsidiary	100	2(87)(ii)
13	Chongqing NIIT Education Consulting Limited 8th Floor, A Block, SOHO Building, Xi yong Micro-electrics industrial Park	NA	Subsidiary	60	2(87)(ii)
14	Wuxi NIIT Information Technology Consulting Limited 18 Zheng Ze Road, Room 201-8, B Building of Sagittarius Part, National(Wuxi) Software Part. Wuxi City P.R.C	NA	Subsidiary	60	2(87)(ii)
15	Changzhou NIIT Information Technology Consulting Limited 801 Changwu Middle Road, 5 Building of Modern Industry Centre, Changzhou CSET. Changzhou City, PRC	NA	Subsidiary	60	2(87)(ii)
16	Su Zhou NIIT Information Technology Consulting Limited No.78, Keling Rd, high-tech new district, Suzhou, PRC	NA	Subsidiary	60	2(87)(ii)
17	NIIT West Africa Limited 29, Ogunlowo Street, Off Obafemi Awolowo Way, Ikeja, Lagos, Nigeria	NA	Subsidiary	100	2(87)(ii)
18	Qingdao NIIT Information Technology Company Limited No.122, Hongshiya Neighborhood Committees, Hongshiya Subdistrict office, Qingdao ETDZ	NA	Subsidiary	100	2(87)(ii)
19	Chongqing An Dao Education Consulting Limited No.2, Floor 5, Block B, Neptune Building, Star street 62, Northern New Area district, Chongqing	NA	Subsidiary	65	2(87)(ii)
20	Zhangjia gang NIIT Information Services Limited 3rd Floor, G Block, Sha Zhou Professional Institute of Technology, Zhangjiagang City, Jiangsu Province	NA	Subsidiary	60	2(87)(ii)
21	Chengmai NIIT Information Technology Company Limited Hainan Resort Software Community, High-tech demonstration zone of the Old Town, Hainan Province	NA	Subsidiary	100	2(87)(ii)
22	NIIT (Ireland) Ltd., Ireland SEAI Building, DCU Innovation Campus, Old Finagles Road, Glasnevin, Dublin 11, Ireland	NA	Subsidiary	100	2(87)(ii)
23	Dafeng NIIT Information Technology Co. Ltd., Dafeng City High-Tech Zone No.51, Jiangsu Province, Prc	NA	Subsidiary	60	2(87)(ii)
24	Guizhou NIIT Information Technology Consulting Co. Ltd. Gui'An New Area High end equipment manufacturing Industrial Park-(South Park) Guizhou Province, PRC	NA	Subsidiary	100	2(87)(ii)
25	NIIT Learning Solutions (Canada) Ltd 1200, Waterfront Center, 200, Burrard Street, Vancouver, BC V6C 3L6	NA	Subsidiary	100	2(87)(ii)
26	NIIT Technologies Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019	L65993DL1992PLC048753	Associate	23.69	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise ShareHolding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	6,773,714	0	6,773,714	4.10	1,522,614	0	1,522,614	0.92	-3.18
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	49,799,321	0	49,799,321	30.16	54,950,721	0	54,950,721	33.20	3.04
e. Bank/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total - A (1)	56,573,035	0	56,573,035	34.25	56,473,335	0	56,473,335	34.12	-0.14
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
a. NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Body Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d. Bank/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total - A (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoters (A)=A(1)+A(2)	56,573,035	0	56,573,035	34.25	56,473,335	0	56,473,335	34.12	-0.14
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	20,257,548	2,053	20,259,601	12.27	19,532,754	2,053	19,534,807	11.80	-0.46
b. Bank/ FI	178,256	375	178,631	0.11	1,380,772	0	1,380,772	0.83	0.73
c. Central Govt.	15,000	0	15,000	0.01	15,000	0	15,000	0.01	0.00
d. State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Co.	607,627	0	607,627	0.37	502,627	0	502,627	0.30	-0.06
g. FIs	16,863,179	14,608	16,877,787	10.22	8,684,925	14,608	8,699,533	5.26	-4.96
h. Foreign Portfolio Corporate	180,794	0	180,794	0.11	8,686,327	0	8,686,327	5.25	5.14
i. Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
j. Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total - B (1)	38,102,404	17,036	38,119,440	23.08	38,802,405	16,661	38,819,066	23.46	0.38
2. Non- Institutions									
a. Body Corp. (Indian)	12,798,120	13,955	12,812,075	7.76	13,747,913	13,955	13,761,868	8.32	0.56
b. Individual									
i. Individual Shareholder holding nominal share capital upto RS.1 Lakh	37,369,435	813,940	38,183,375	23.12	36,098,205	775,706	36,873,911	22.28	-0.84
ii. Individual Shareholder holding nominal share capital in excess of Rs.1 Lakh	12,206,962	0	12,206,962	7.39	12,264,753	0	12,264,753	7.41	0.02
c. Others									
(i) NBFC Regd with RBI	0	0	0	0.00	211,492	0	211,492	0.13	0.13
(ii) NRI (Rep)	2,612,636	92,457	2,705,093	0.00	2,588,812	92,457	2,681,269	1.62	-0.02
(iii) NRI (Non-Rep)	1,261,666	375	1,262,041	0.76	1,137,773	3,530	1,141,303	0.69	-0.07
(iv) Foreign National	22,500	0	22,500	0.01	22,500	0	22,500	0.01	0.00
(v) OCB	0	0	0	0.00	0	0	0	0.00	0.00
(vi) Trust	3,286,076	0	3,286,076	1.11	3,251,736	0	3,251,736	1.96	-0.02
Sub-Total - (B)(2)	69,557,395	920,727	70,478,122	42.67	69,323,184	885,648	70,208,832	42.42	-0.25
Total Public Shareholding (B)=(B)(1)+(B)(2)	107,659,799	937,763	108,597,562	65.75	108,125,589	902,309	109,027,898	65.88	0.14
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	164,232,834	937,763	165,170,597	100.00	164,598,924	902,309	165,501,233	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	RAJENDRA SINGH PAWAR & NEETI PAWAR	155,000	0.09	0.00	155,000	0.09	0.00	0.00
2	NEETI PAWAR & RAJENDRA SINGH PAWAR	2,289,934	1.39	0.00	427,326	0.26	0.00	-1.13
3	URVASHI PAWAR	56,250	0.03	0.00	56,250	0.03	0.00	0.00
4	UNNATI PAWAR	56,242	0.03	0.00	56,242	0.03	0.00	0.00
5	UDAI PAWAR	7,500	0.00	0.00	7,500	0.00	0.00	0.00
6	R.S.PAWAR HUF	2,527	0.00	0.00	2,527	0.00	0.00	0.00
7	VIJAY KUMAR THADANI & RENUKA VIJAY THADANI	155,000	0.09	0.00	155,000	0.09	0.00	0.00
8	RENUKA VIJAY THADANI & VIJAY KUMAR THADANI	3,389,492	2.05	0.00	1,000	0.00	0.00	-2.05
9	V.K.THADANI HUF	2,527	0.00	0.00	2,527	0.00	0.00	0.00
10	ARVIND THAKUR	659,242	0.40	0.00	659,242	0.40	0.00	0.00
11	PACE INDUSTRIES PRIVATE LIMITED	23,503,913	14.23	0.00	25,366,521	15.33	0.00	1.10
12	GLOBAL SOLUTIONS PRIVATE LIMITED	22,527,346	13.64	0.00	25,915,838	15.66	0.00	2.02
13	A K M SYSTEMS PRIVATE LIMITED	3,768,062	2.28	0.00	3,668,362	2.22	0.00	-0.06
	Total	56,573,035	34.25	0.00	56,473,335	34.12	0.00	-0.13

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	56,573,035	34.25	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equities etc.):	-	-	-	-
Transfer date				
3-Jul-15	-9,970	-0.01	56,563,065	34.25
17-Jul-15	-17,946	-0.01	56,545,119	34.23
24-Jul-15	-35,712	-0.02	56,509,407	34.21
31-Jul-15	-14,430	-0.01	56,494,977	34.20
7-Aug-15	-21,642	-0.01	56,473,335	34.19
18-Mar-16	-1,862,608	-1.13	54,610,727	33.00
18-Mar-16	-3,388,492	-2.05	51,222,235	30.95
25-Mar-16	1,862,608	1.13	53,084,843	32.08
25-Mar-16	3,388,492	2.05	56,473,335	34.12
At the end of the year	56,473,335	34.12	56,473,335	34.12

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Top 10 Shareholders	Shareholding		Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Cumulative Shareholding during the year (01-04-15 to 31-03-16)		
		No. of Shares at the beginning (01-04-15)/end of the year (31-03-16)	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Share	% of total shares of the Company
1	HSBC BANK (MAURITIUS) LIMITED#	6,768,448	4.10	1-Apr-2015				
				5-Jun-2015	603,551	Transfer	7,371,999	4.46
				12-Jun-2015	333,000	Transfer	7,704,999	4.66
				17-Jul-2015	-1,484,724	Transfer	6,220,275	3.77
				24-Jul-2015	-1,819,499	Transfer	4,400,776	2.66
				31-Jul-2015	-1,267,856	Transfer	3,132,920	1.90
				21-Aug-2015	-362,615	Transfer	2,770,305	1.68
				28-Aug-2015	-96,409	Transfer	2,673,896	1.62
				4-Sep-2015	-72,000	Transfer	2,601,896	1.58
				9-Oct-2015	-778,923	Transfer	1,822,973	1.10
				16-Oct-2015	-137,146	Transfer	1,685,827	1.02
				6-Nov-2015	-272,576	Transfer	1,413,251	0.86
				13-Nov-2015	-531,933	Transfer	881,318	0.53
				20-Nov-2015	-60,361	Transfer	820,957	0.50
				15-Jan-2016	422,752	Transfer	1,243,709	0.75
				22-Jan-2016	104,074	Transfer	1,347,783	0.81
				29-Jan-2016	148,565	Transfer	1,496,348	0.90
				19-Feb-2016	117,351	Transfer	1,613,699	0.98
				26-Feb-2016	72,506	Transfer	1,686,205	1.02
4-Mar-2016	163,768	Transfer	1,849,973	1.12				
	1,849,973	1.12	31-Mar-2016	-		1,849,973	1.12	
2	GOVERNMENT PENSION FUND GLOBAL	4,657,268	2.82	1-Apr-2015				
				17-Apr-2015	-39,718	Transfer	4,617,550	2.80
				1-May-2015	-100,000	Transfer	4,517,550	2.74
				8-May-2015	-43,060	Transfer	4,474,490	2.71
				22-May-2015	-47,946	Transfer	4,426,544	2.68
				25-Dec-2015	421,000	Transfer	4,847,544	2.93
				22-Jan-2016	108,747	Transfer	4,956,291	3.00
				31-Mar-2016	-		4,956,291	2.99
	4,956,291	2.99						
3	DSP BLACKROCK SMALL AND MID CAP FUND	3,875,276	2.35	1-Apr-2015				
				17-Apr-2015	-34,299	Transfer	3,840,977	2.33
				22-May-2015	-79,555	Transfer	3,761,422	2.28
				30-Oct-2015	-984,206	Transfer	2,777,216	1.68
				6-Nov-2015	-204,163	Transfer	2,573,053	1.56
				13-Nov-2015	-19,366	Transfer	2,553,687	1.55
				15-Jan-2016	399,056	Transfer	2,952,743	1.78
				22-Jan-2016	284,410	Transfer	3,237,153	1.96
	3,237,153	1.96	31-Mar-2016	-		3,237,153	1.96	

4	DSP BLACKROCK EQUITY FUND	3,572,716	2.16	1-Apr-2015				
				17-Apr-2015	-31,095	Transfer	3,541,621	2.14
				8-May-2015	-26,838	Transfer	3,514,783	2.13
				22-May-2015	-107,530	Transfer	3,407,253	2.06
				30-Oct-2015	-802,619	Transfer	2,604,634	1.58
				6-Nov-2015	-177,245	Transfer	2,427,389	1.47
				13-Nov-2015	-83,971	Transfer	2,343,418	1.42
		2,343,418	1.42	31-Mar-2016	-		2,343,418	1.42
5	IL AND FS TRUST COMPANY LIMITED	3,245,499	1.96	1-Apr-2015				
				Nil Movement during the year				
		3,245,499	1.96	31-Mar-2016	-		3,245,499	1.96
6	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE SMALL CAP FUND	3,066,382	1.86	1-Apr-2015				
				3-Jul-2015	119,566	Transfer	3,185,948	1.93
				10-Jul-2015	800,434	Transfer	3,986,382	2.41
				25-Sep-2015	147,100	Transfer	4,133,482	2.50
				30-Sep-2015	500	Transfer	4,133,982	2.50
				31-Mar-2016	-		4,133,982	2.50
		4,133,982	2.50	31-Mar-2016	-		4,133,982	2.50
7	ICICI PRUDENTIAL EXPORTS AND OTHER SERVICES FUND	3,000,000	1.82	1-Apr-2015				
				Nil Movement during the year				
		3,000,000	1.81	31-Mar-2016	-		3,000,000	1.81
8	THE MASTER TRUST BANK OF JAPAN LTD. AS TRUSTEE OF BLACKROCK INDIA EQUITY FUND	2,598,957	1.57	1-Apr-2015				
				11-Dec-2015	-71,175	Transfer	2,527,782	1.53
				22-Jan-2016	-131,282	Transfer	2,396,500	1.45
				31-Mar-2016	-		2,396,500	1.45
		2,396,500	1.45	31-Mar-2016	-		2,396,500	1.45
9	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MIDCAP #	2,500,000	1.51	1-Apr-2015				
				10-Apr-2015	-200,000	Transfer	2,300,000	1.39
				17-Apr-2015	-500,732	Transfer	1,799,268	1.09
				24-Apr-2015	-286,984	Transfer	1,512,284	0.92
				1-May-2015	-811,182	Transfer	701,102	0.42
				8-May-2015	-701,102	Transfer	0	0.00
				31-Mar-2016	-		0	0.00
		0	0.00	31-Mar-2016	-		0	0.00
10	ICICI PRUDENTIAL TECHNOLOGY FUND	2,307,371	1.40	1-Apr-2015				
				30-Sep-2015	-307,371	Transfer	2,000,000	1.21
				31-Mar-2016	-		2,000,000	1.21
		2,000,000	1.21	31-Mar-2016	-		2,000,000	1.21
11	POLUNIN EMERGING MARKETS SMALL CAP FUND LLC *	0	0.00	1-Apr-2015				
				9-Oct-2015	2,021,000	Transfer	2,021,000	1.22
				6-Nov-2015	169,650	Transfer	2,190,650	1.33
				11-Dec-2015	150,000	Transfer	2,340,650	1.42
				31-Mar-2016	-		2,340,650	1.41
		2,340,650	1.41	31-Mar-2016	-		2,340,650	1.41
12	TASHA ENTERPRISES LLP *	0	0.00	1-Apr-2015				
				7-Aug-2015	720,026	Transfer	720,026	0.44
				14-Aug-2015	150,375	Transfer	870,401	0.53
				21-Aug-2015	986,377	Transfer	1,856,778	1.12
				31-Mar-2016	-		1,856,778	1.12
		1,856,778	1.12	31-Mar-2016	-		1,856,778	1.12

#Ceased to be in the list of Top 10 shareholders as on 31-03-2016. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2015

*Not in the list of Top 10 shareholders as on 01-04-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2016.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)			Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15)/ end of the year (31-03-16)	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1	Mr. Rajendra S Pawar - Chairman*	157,527	0.10	1-Apr-2015				
					Nil Movement during the year			
		157,527	0.10	31-Mar-2016			157,527	0.10
2	Mr. Vijay K Thadani - Vice Chairman & Managing Director*	157,527	0.10	1-Apr-2015				
					Nil Movement during the year			
		157,527	0.10	31-Mar-2016			157,527	0.10
3	Mr. P Rajendran - Joint Managing Director	457,537	0.28	1-Apr-2015				
					Nil Movement during the year			
		457,537	0.28	31-Mar-2016			457,537	0.28
4	Mr. Sanjay Khosla - Director	56,250	0.03	1-Apr-2015				
					Nil Movement during the year			
		56,250	0.03	31-Mar-2016			56,250	0.03
5	Mr. Rohit Kumar Gupta - Chief Financial Officer	15,000	0.01	1-Apr-2015				
				4-Dec-2015	33,000	Transfer	48,000	0.03
		48,000	0.03	31-Mar-2016			48,000	0.03

*Includes shareholding as Karta (HUF)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. Mn)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
(i) Principal Amount	1,247.23	0.00	0.00	1,247.23
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	4.75	0.00	0.00	4.75
Total (i+ii+iii)	1,251.98	0.00	0.00	1,251.98
Change in Indebtedness during the Financial Year				
- Addition	671.08	85.00	0.00	756.08
- Reduction	251.42	0.00	0.00	251.42
Net Change	419.66	85.00	0.00	504.66
Indebtedness at the end of the financial year				
(i) Principal Amount	1,661.08	85.00	0.00	1,746.08
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	10.56	0.00	0.00	10.56
Total (i+ii+iii)	1,671.64	85.00	0.00	1,756.64

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Mr. Vijay K Thadani	Mr. P Rajendran	
1	Gross Salary*			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,808,186	11,654,259	21,462,445
	(b) Value of perquisites under section 17(2) of Income-tax Act, 1961	2,103,475	257,402	2,360,877
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify (Mediclaime Premium)	88,339	88,339	176,678
	Total (A)	12,000,000	12,000,000	24,000,000
	Ceiling as per the Act	12,000,000	12,000,000	24,000,000

*Details does not include Gratuity, contribution to Provident Fund and Superannuation Fund.

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (In Rs.)
		Mr. Surendra Singh	Mr. Anand Sudarshan	Ms. Geeta Mathur	Mr. Sanjay Khosla	
1	Independent Directors	920,000	1,120,000	1,200,000	440,000	3,680,000
	- Fee for attending board/ committee meetings*					
	- Commission	0	0	0	0	0
	-Others, please specify	0	0	0	0	0
	Total (1)	920,000	1,120,000	1,200,000	440,000	3,680,000
2	Other Non-Executive Directors	0	0	0	0	0
	- Fee for attending board/committee meetings					
	- Commission	0	0	0	0	0
	-Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+ 2)	920,000	1,120,000	1,200,000	440,000	3,680,000
	Total Managerial Remuneration (A+ B)					27,680,000

*pertains to 2015-16, however paid in the current financial year.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
		Mr. Rahul K Patwardhan (w.e.f. May 28, 2015)	Mr. Mukesh Kumar (Till December 02, 2015)	Mr. Rohit Kumar Gupta	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,837,014	2,369,229	12,492,152	45,698,395
	b) Value of perquisites u/s 17 (2) Income-tax Act, 1961-	1,440,984	NIL	1,745,559	3,186,543
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	67,602	592,836	660,438
	Total	32,277,998	2,436,831	14,830,547	49,545,376

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT/COURT]
A. Company				
Penalty				
Punishment				
Compounding				
B. Directors				
Penalty				
Punishment				
Compounding				
C. Other Officers in Default				
Penalty				
Punishment				
Compounding				

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN: 00042516

Place: New Delhi
Date: May 10, 2016

FORM NO. AOC2

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Nil							

2. Details of material contracts or arrangement or transactions at arm's length basis.

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
MindChampion Learning Systems Limited (MSLS) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Debenture Agreement	One time	Issue of 900,000 Unsecured Optionally Convertible Debentures @ Rs. 1000/- per debenture at an interest rate of 0.5% per annum issued for discharge of consideration for transfer of school undertaking business pursuant to scheme of Arrangement	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship- Subsidiary	Service Agreement	Till March 31, 2018	Availing services with respect to training, faculty and courseware	NA	NA
NIIT Technologies Limited (NTL) Relationship- Associate Company	Leasing of premises	One time	Leasing of premises	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIFBIT	NA	NA
NIIT Yuva Jyoti Limited (NYJL) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NYJL	NA	NA
NIIT Yuva Jyoti Limited (NYJL) Relationship- Subsidiary	Revenue Sharing Agreement	Till March 31, 2020	To allow company to sell products of NYJL for the purpose of imparting education and training to the students. The percentage of revenue share shall be based on the arms' length benchmarking. The benchmarking percentage for FY 15-16 is 8% of program fee.	NA	NA
MindChampion Learning Systems Limited (MSLS) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to MSLS	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIPE	NA	NA
NIIT Antilles, N.V. Netherlands Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT Antilles, N.V. Netherlands	NA	NA
NIIT Limited, U K Relationship- Subsidiary	Master Service Agreement	Till Mach 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT Limited, UK	NA	NA

NIIT USA Inc., USA Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT USA Inc., USA	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship- Subsidiary	Revenue Sharing Agreement	Till March 31, 2020	To allow company to sell products of NIFBIT for the purpose of imparting education and training to the students. The percentage of revenue share shall be based on the arms' length benchmarking. The benchmarking percentage for FY 15-16 is 8% of program fee.	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship-Subsidiary	Assignment Agreement	One time	Transfer of inventory of training material lying with NIFBIT as on June 30, 2015 to the company. Transfer of advances received (from the customers of NIFBIT) as per books of Accounts as on June 30, 2015 to the company.	NA	NA
NIIT Technologies Limited (NTL) Relationship- Associate Company	Leasing of premises	One time	Leasing of premises	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship-Subsidiary	Master Service Agreement	Till July 16, 2020	To provide the expertise and training centres of the company on pan India basis to impart training services to the customers of NIFBIT. Consideration shall be based on the arm's length bench marking. The bench marking percentage for FY 15-16 is 75% of the order value.	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Master Service Agreement	Till July 16, 2020	To use the trainers of NIPE and use their expertise and trainings on pan India basis to impart training services to the customers of the company. Consideration payable to NIPE shall be based on arm's length bench marking	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Loan Agreement	Till July 20, 2016	For availing Loan of Rs. 85 Million from NIPE on the following terms: 1. Interest: At a fixed rate of 10.5% p.a. payable annually 2. Repayment: At the time of expiry of the agreement.	NA	NA
MindChampion Learning Systems Limited (MLSL) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Courseware Purchase	One time	Purchase of courseware from MLSL	NA	NA
MindChampion Learning Systems Limited (MLSL) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Loan Agreement	3 Years	Granting of loan to MLSL for an overall limit of Rs. 500 million on the following terms: 1. Each tranche of loan is repayable within a period not exceeding 365 days. 2. Rate of interest shall not be less than the average borrowing rates of the company.	NA	NA
NIIT Institute of Finance Banking and Insurance Training Limited (NIFBIT) Relationship-Subsidiary	Assets Purchase	One time	Purchase of assets from NIFBIT for an amount of Rs. 11,075,425	NA	NA
MindChampion Learning Systems Limited (MLSL) (Formerly known as Hole-in-the-Wall Education Limited) Relationship-Subsidiary	Service Agreement	Till March 31, 2020	Agreement to share skilled manpower cost at various locations. Consideration based on actual cost of salary including a mark-up of 10%, Service tax: At prevailing rates	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Extension of Service Agreement	Till October 30, 2018	Extension of Service Agreement dated April 5, 2011 for availing services from NIPE.	NA	NA
NIIT China (Shanghai) Limited Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT China (Shanghai) Limited	NA	NA
NIIT Technologies Limited (NTL) Relationship- Associate Company	Service Agreement	NA	Service Agreement to provide training and related services to NTL as per the terms agreed and specified in separate work orders issued for every separate training assignment.	NA	NA

NIIT Yuva Jyoti Limited (NYJL) Relationship- Subsidiary	Manpower Service agreement	Till December 31, 2020	To share skilled manpower cost at various locations. Consideration based on actual cost of salary including a mark-up of 10%, Service tax: At prevailing rates	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2017	To avail sales, marketing and business development support for providing training under the Project named 'Reach Higher' Genpact CSR Program on the following broad terms and conditions: 1.Consideration: 11% of the total invoice value generated to NASSCOM.	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Service Agreement	Till March 31, 2021	To provide certain training services from NIIT to NIPE which will in turn provide services to third parties. The Consideration is to be paid at certain percentage of revenue generated by way of receipt of payment from the client to whom the learner shall belong.	NA	NA
NIIT Institute of Process Excellence Limited (NIPE) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIPE	NA	NA
NIIT Institute of Finance Banking & Insurance Training Limited (NIFBIT) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIFBIT	NA	NA
NIIT Yuva Jyoti Limited (NYJL) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NYJL	NA	NA
MindChampion Learning Systems Limited (MLSL) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Revenue Service Agreement	NA	To avail Intellectual Property Rights from MLSL for using Trade Name and Trade Mark i.e. "CTET Advantage Program"	NA	NA
MindChampion Learning Systems Limited (MLSL) (Formerly known as Hole-in-the-Wall Education Limited) Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to MLSL	NA	NA
NIIT (Malaysia) Sdn Bhd. Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT (Malaysia) Sdn. Bhd.	NA	NA
NIIT USA Inc., USA Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT USA Inc., USA	NA	NA
NIIT Ireland Limited Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT Ireland Limited	NA	NA
NIIT Limited, UK Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT Limited, UK.	NA	NA
NIIT China (Shanghai) Limited Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT China (Shanghai) Limited.	NA	NA
NIIT China (Shanghai) Limited Relationship- Subsidiary	Service Agreement	Till April 30, 2016	To provide work/support services to help develop NIIT China to build Cloud Campus and SLT platform projects in China.	NA	NA
NIIT Antilles, NV, Netherlands Relationship- Subsidiary	Master Service Agreement	Till March 31, 2020	Master Service Agreement (Corporate Services) for providing various corporate services and support from various departments to NIIT Antilles, NV, Netherlands	NA	NA

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN: 00042516

Place: New Delhi
Date: May 10, 2016

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director and Key Managerial Personnel (KMPs) during the Financial Year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16 and the comparison of remuneration of each KMP against the performance of the Company are as under:

Remuneration to Whole-time Directors

Sl. No.	Name of Director and Designation	Remuneration of Director for Financial Year 2015-16 (Rs. in Mn)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of KMPs against the performance of the Company
1.	Mr. Vijay K Thadani –Vice-Chairman and Managing Director	15.57	189.92	32.73	The total remuneration of KMPs has increased from Rs. 38 Mn in 2014-15 to Rs. 80 Mn in 2015-16, whereas the Company reported profit of Rs. 1 Mn in 2015-16 as against negative profit of Rs. 1,161 Mn in previous year 2014-15.
2.	Mr. P Rajendran – Joint Managing Director	14.44	15.46	30.35	

Remuneration to Independent Directors

Sl. No.	Name of Director and Designation	Remuneration of Director for financial year 2015-16 (Rs. in Mn)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Sanjay Khosla – Non Executive Independent Director	0.44	-15.38	0.93
2.	Mr. Surendra Singh– Non Executive Independent Director	0.92	-41.03	1.93
3.	Mr. Anand Sudarshan– Non Executive Independent Director	1.12	64.71	2.35
4.	Ms. Geeta Mathur – Non Executive Independent Director	1.20	7.14	2.52

The increase/decrease in remuneration paid to Independent Directors is based on following:

- Remuneration includes only sitting fees
- Sitting Fees paid on the basis of Board/Committee meetings attended by the Director during the year; and
- As permitted under the Companies Act, 2013, the sitting fees to attend the Board and Audit Committee Meeting is Rs. 80,000 and to attend the Stakeholders’ Relationship Committee and Nomination and Remuneration Committee meeting is Rs. 40,000.

Remuneration of other Key Managerial Personnel

Sl. No.	Name of Key Managerial Personnel and Designation	Remuneration of Key Managerial Personnel for Financial Year 2015-16 (Rs. in Mn)	% Increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Key Managerial Personnel to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Rahul Keshav Patwardhan – Chief Executive Officer (w.e.f. May 28, 2015)	32.28	NA	77.21*	The total remuneration of KMPs has increased from Rs. 38 Mn in 2014-15 to Rs. 80 Mn in 2015-16, whereas the Company reported profit of Rs. 1 Mn in 2015-16 as against negative profit of Rs. 1,161 Mn in previous year 2014-15.
2.	Mr. Rohit Kumar Gupta – Chief Financial Officer	14.83	28.13	31.18	
3.	Mr. Mukesh Kumar – Company Secretary (till December 02, 2015)	2.44	NA	7.68*	

*Based on annualized salary

- ii. The median remuneration of employees of the Company during the Financial Year was Rs. 0.48 Mn.
 - iii. In the Financial Year, there was an increase of 1.05% in the median remuneration of employees;
 - iv. There were 1662 regular employees on the rolls of Company as on March 31, 2016;
 - v. Relationship between average increase in remuneration and company performance: The total remuneration of the KMPs has increased from Rs. 38 Mn in 2014-15 to Rs. 80 Mn in 2015-16, whereas the Company reported profit of Rs. 1 Mn in 2015-16 as against negative profit of Rs. 1,161 Mn in previous year 2014-15.
 - vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel increased by 111% from Rs. 38 Mn in 2014-15 to Rs. 80 Mn in 2015-16 whereas the profit increased by Rs. 1,162 Mn in 2015-16 .
 - vii. a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2016 was Rs. 13,066.32 Mn (Rs. 5,938 Mn as on March 31, 2015)
b) Price Earnings ratio of the Company: 19.43 as on March 31, 2016 (based on consolidated financials)
c) Percentage increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer - The price of Equity Shares issued through initial public offer (IPO) was Rs. 50/- per share (face value Rs. 10/- per share) and the market price of equity shares as on March 31, 2016 was Rs. 78.95 per share (face value Rs. 2/- per share). Since the face value of the equity share was different at both the time as referred above, hence are not comparable.
 - viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2015-16 was 8.37 % whereas the increase in the managerial remuneration for the same Financial Year was 5.81%.
 - ix. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy.
 - x. Detail of the ratio of the remuneration of the highest paid director to that of the employees (other than Key Managerial Personnel) who are not directors but receive remuneration in excess of the highest paid director during the year:-
- | S. No. | Name | Ratio of remuneration |
|--------|---------------------|-----------------------|
| 1 | Mr. Shivan Bhargava | 1.08 |
- xi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN: 00042516

Place: New Delhi
Date: May 10, 2016

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Directors' Report for the year ended March 31, 2016

A. Employed throughout the year and in receipt of remuneration not less than Rs. 60,00,000 for the year

Name	Age (Years)	Qualification(s)	Experience (Years)	Designation	Nature of Duties	Gross Remuneration (Rs.)	Date of Joining	Previous Employment	Previous Employment Designation
VUJAY K THADANI	65	B.Tech	44	Vice Chairman & Managing Director	MD	15,568,132	2-Dec-81	Kelltron Limited	Branch Manager
P RAJENDRAN	63	BE	42	Joint Managing Director	JMD	14,438,148	1-Sep-82	Kelltron Limited	Resident Manager
RAHUL KESHAV PATWARDHAN	56	BE/B.Tech (Bachelor of Engineering)	32	Chief Executive Officer	Chief Executive Officer	36,726,989	6-Oct-14	Kalpavruksh Technologies Deutschland GMBH	M.D., Global Managed App Services
UDAI SINGH	48	BE, IIE	27	President, Global Technology Strategy	IBU Head	8,524,951	26-Jun-90	NIIT Online Learning Limited	Whole-time Director & COO
ROHIT KUMAR GUPTA	46	B.Com, CA	24	Chief Financial Officer	CFO	14,830,547	14-Apr-11	Virgin Mobile India Pvt. Ltd.	Chief Financial Officer
KAWALJIT SINGH	55	B.Com, CA, CS Inter	36	Financial Controller	Financial Controller	6,379,477	11-Apr-90	Arora & Choudhary Co	Audit Officer
VENKATA DURGA RAVI KIRAN PATIBANDA	49	BSC, MBA	26	Senior Vice President	Head - Sync Learning Delivery Organization	6,023,025	2-Jul-90	First Employment	NA
GANESH KRISHNAMURTHY	50	B.Com	26	Senior Vice President & Global Head, LC	Global Head LC	6,859,719	1-Apr-02	Trigyn Technologies Ltd	Project Manager
SHIVAN BHARGAVA	47	BE & MBA	27	Group President	Business Head-SCG	17,203,890	28-Jul-14	Bharti Airtel	MD of Airtel Networks Kenya Limited
SANJAY MAL	53	B.Com	31	Group Strategic Finance Head	Group Strategic Finance Head	6,423,926	8-Jan-03	A Arora & Associates	Senior Associate

B. Employed for part of the year and in receipt of remuneration not less than Rs. 5,00,000 per month

Name	Age (Years)	Qualification(s)	Experience (Years)	Designation	Nature of Duties	Gross Remuneration (Rs.)	Date of Joining	Previous Employment	Previous Employment Designation
SHAMPI VENKATESH	50	B.Com.	29	Chief People Officer	Head - Human Resources	9,241,725	16-Oct-00	NIIT Online Learning Limited	Chief Content Officer
AMIT KAUL	44	BE/B.Tech, MBA	17	Senior Vice President - Corporate Learning	B2B Head - India	2,007,159	2-Dec-15	SAP India Pvt Limited	Director & Business Head
SANJAY BAHL	53	BE/B.Tech, MBA	33	President NYJ & National Channel Head	National Head Channel Business	1,356,103	15-Jan-16	NIIT Yuva Jyoti Limited	President

NOTES:

- (1) The gross remuneration shown above comprises salary, allowances, incentives, monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund, Superannuation Fund and National Pension Fund.
- (2) The gross remuneration of employees does not include provision for gratuity and provision for leave encashment.
- (3) None of the above employees are related to any Director of the Company.
- (4) None of the employees holds 2% or more of the paid-up equity share capital of the Company.

For and on behalf of the Board

Rajendra S Pawar
Chairman
DIN: 00042516

Place: New Delhi
Date: May 10, 2016

Information relating to NIIT ESOP-2005 under Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

A)	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	Please refer to Notes Nos. 2.3(ix) and 25 contained in the Notes to Financial Statements forming part of Annual Financial Statements for the Financial Year ended on March 31, 2016
B)	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	0.01

C. Details related to ESOS

i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including-

a)	Date of shareholders' approval	May 18, 2005																																																
b)	Total number of options approved under ESOS	a) Pre-bonus and split – 1,925,000 b) Revised options post-bonus and split – 11,173,823																																																
c)	Vesting requirements	Employee Stock Option shall vest in a minimum period of 1 year and maximum period of 5 years from the date of grant																																																
d)	Exercise price or pricing formula	At a price not less than the then existing face value of the share of the Company <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Grant Price Rs.</th> <th style="text-align: center;">Market Price Rs. #</th> </tr> </thead> <tbody> <tr><td>Grant I *</td><td style="text-align: right;">180.00</td><td style="text-align: right;">235.15</td></tr> <tr><td>Grant II **</td><td style="text-align: right;">237.00</td><td style="text-align: right;">237.00</td></tr> <tr><td>Grant III **</td><td style="text-align: right;">912.15</td><td style="text-align: right;">912.15</td></tr> <tr><td>Grant IV **</td><td style="text-align: right;">88.70</td><td style="text-align: right;">88.70</td></tr> <tr><td>Grant V **</td><td style="text-align: right;">72.20</td><td style="text-align: right;">72.20</td></tr> <tr><td>Grant VI **</td><td style="text-align: right;">69.20</td><td style="text-align: right;">69.20</td></tr> <tr><td>Grant VII **</td><td style="text-align: right;">67.65</td><td style="text-align: right;">67.65</td></tr> <tr><td>Grant VIII ***</td><td style="text-align: right;">2.00</td><td style="text-align: right;">45.05</td></tr> <tr><td>Grant IX**</td><td style="text-align: right;">41.00</td><td style="text-align: right;">41.00</td></tr> <tr><td>Grant X**</td><td style="text-align: right;">49.85</td><td style="text-align: right;">49.85</td></tr> <tr><td>Grant XI**</td><td style="text-align: right;">48.50</td><td style="text-align: right;">48.50</td></tr> <tr><td>Grant XII**</td><td style="text-align: right;">41.60</td><td style="text-align: right;">41.60</td></tr> <tr><td>Grant XIII**</td><td style="text-align: right;">52.15</td><td style="text-align: right;">52.15</td></tr> <tr><td>Grant XIV**</td><td style="text-align: right;">75.65</td><td style="text-align: right;">75.65</td></tr> <tr><td>Grant XV**</td><td style="text-align: right;">75.65</td><td style="text-align: right;">75.65</td></tr> </tbody> </table> <p># Closing price on the National Stock Exchange of India Limited. * at approx. 23.45% discount to market price. ** at market price. ***at approx. 96% discount to market price.</p>		Grant Price Rs.	Market Price Rs. #	Grant I *	180.00	235.15	Grant II **	237.00	237.00	Grant III **	912.15	912.15	Grant IV **	88.70	88.70	Grant V **	72.20	72.20	Grant VI **	69.20	69.20	Grant VII **	67.65	67.65	Grant VIII ***	2.00	45.05	Grant IX**	41.00	41.00	Grant X**	49.85	49.85	Grant XI**	48.50	48.50	Grant XII**	41.60	41.60	Grant XIII**	52.15	52.15	Grant XIV**	75.65	75.65	Grant XV**	75.65	75.65
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e)	Maximum term of options granted	5 Years																																																
f)	Source of shares (primary, secondary or combination)	Primary																																																
g)	Variation in terms of options	During the year, the Nomination and Remuneration Committee of the Company at its meeting held on October 20, 2015 had decided that the last dates for exercise of the third vesting of the stock options granted under Grant V and Grant VI of the NIIT Employee Stock Option Plan 2005 (ESOP -2005) be October 25, 2017 and January 22, 2018 respectively.																																																

- ii) Method used to account for ESOS - Intrinsic value
- iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. Please refer to Note No. 25 contained in the Notes to Financial Statements forming part of Annual Financial Statements for the Financial Year ended on March 31, 2016
- iv) Option movement during the year (For each ESOS):

Particulars	Details
Number of options outstanding at the beginning of the period	3,717,081
Number of options granted during the year	3,260,000
Number of options forfeited / lapsed during the year	560,189
Number of options vested during the year	792,632
Number of options exercised during the year	330,636
Number of shares arising as a result of exercise of options	330,636
Money realized by exercise of options (INR), if scheme is implemented directly by the company	16,759,098
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	6,086,256
Number of options exercisable at the end of the year	6,086,256

- v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

Grant (Rs.)	I*	II*	III*	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
Weighted average exercise price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	2.00	35.40	49.75	48.50	41.60	52.15	75.65	75.65
Weighted average fair value	13.15	9.63	37.23	32.09	34.47	32.71	31.57	40.17	12.15	17.30	15.76	14.30	18.10	25.91	27.30

Note: *the prices are adjusted for the bonus and split

- vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

i)	senior managerial personnel	Summary^ of options granted to senior managerial personnel* are as under: No. of employees covered : 10 No. of options granted during the year to such personnel:1,270,000 ^ Only summary given because of sensitive nature of information *includes directors (excluding promoter directors) and employees who are one level below the Board of Directors and direct reportees to CEO.
ii)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	NIL
iii)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL

vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII	Grant IX	Grant X	Grant XI	Grant XII	Grant XIII	Grant XIV	Grant XV
Weighted-average values of share price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	45.05	35.40	49.75	48.50	41.60	52.15	75.65	75.65
Exercise Price	24.00	31.60	121.62	88.70	72.20	69.20	67.65	2.00	35.40	49.75	48.50	41.60	52.15	75.65	75.65
Expected volatility	14.00%	14.00%	45.47%	51.81%	66.48%	66.23%	63.20%	44.02%	41.64%	42.42%	40.76%	41.25%	41.99%	47.11%	44.99%
Expected life	2.5 years	2.5 years	2.5 years	2.5 years	3.5 years	3.5 years	3.5 years	3 years	4.5 years	4.5 years	4.1 years	4.5 years	4.5 years	3.5 years	4.5 years
Expected dividends	Not considered	Not considered	2.79%	2.04%	1.76%	1.76%	1.76%	2.55%	3.96%	3.96%	3.96%	3.50%	3.50%	3.50%	3.50%
Risk-free interest rate	7.00%	7.00%	7.93%	9.24%	6.89%	6.50%	7.55%	8.19%	8.73%	8.74%	8.50%	7.93%	7.85%	7.47%	7.57%

b) the method used and the assumptions made to incorporate the effects of expected early exercise – Not Applicable

c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility - Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. Each vest has been considered as a separate grant. The volatility for periods corresponding to the respective expected lives of the different vests, prior to the grant date has been considered. The daily volatility of the Company's stock price on NSE over these years has been considered.

d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. – Not Applicable

For and on behalf of the Board

Rajendra S Pawar
Chairman

DIN: 00042516

Place: New Delhi
Date: May 10, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Established in 1981, NIIT Limited is a global leader in Skills and Talent Development. The Company offers multi-disciplinary learning management and training delivery solutions to corporations, institutions, and individuals in over 40 countries.

NIIT has three lines of business: Corporate Learning Group (CLG), Skills & Careers Group (SNC), and School Learning Group (SLG).

Table 1: Organization Overview

	Corporate Learning Group	Skills & Careers Group	School Learning Group
Revenue, Contribution to NIIT	Rs. 5,679 million, 56%	Rs. 3,326 million, 33%	Rs. 1,063 million, 11%
Offerings	Managed Training Services, Custom Projects	Service Sector Skills, Professional Life Skills	Teaching & Learning Solutions, School Services
Focus Geography	USA, Europe	India, China	India
Value Proposition	Productivity	Employability	Academic Performance

Amounts indicated above reflect net revenue for the business, and percentages reflect contribution to the overall revenue in FY16.

➤ **Corporate Learning:** NIIT's Corporate Learning Group (CLG) offers Managed Training Services (MTS) to market-leading companies in North America, Europe, Asia, and Oceania. The comprehensive suite of Managed Training Services includes custom Curriculum Design and Content Development, Learning Administration, Learning Delivery, Strategic Sourcing, Learning Technology, and Advisory Services. With a team of some of the finest learning professionals, NIIT is dedicated to helping customers increase the business value of learning and development (L&D). Built on the sound principles of "Running Training like a Business", NIIT's MTS and best-in-class training processes enable customers



to align business goals with L&D, reduce costs, realize measurable value, benefit from rock-solid operations, and increase business impact.

➤ **Skills & Careers:** NIIT's Skills & Careers Group (SNC) delivers a diverse range of learning and talent development programs to individual and corporate learners in areas including Banking, Finance & Insurance, Soft Skills, Business Process Excellence, Retail Sales Enablement, Management Education, Multi-Sectoral Vocational Skills, Digital Media Marketing, and new-age IT. These programs are delivered through a combination of the "Cloud Campus" online platform, satellite-based "Synchronous Learning Technology," and a physical network of hundreds of learning centers in India, China, and selected markets in



Asia & Africa. The flagship multi-disciplinary course offerings include the industry-endorsed GNIIT-Digital Transformation program and a set of DigiNxt Programs for students from different streams, apart from a wide range of specialist short duration programs.

To strengthen its SNC portfolio in India, NIIT has tied up with industry majors like ICICI Bank for NIIT Institute of Finance Banking Insurance and Training Limited, IFBI; leading business schools in India for NIIT Imperia; Genpact for NIIT Uniqua; and a joint venture with National Skills Development Corporation (NSDC) for NIIT Yuva Jyoti Limited. Besides this, for the China market, NIIT has tied up with governments and software parks in Guian, Chongqing, Wuxi, Suzhou, Changzhou, Zhangjiajiang, Haikou, and Dafeng for state-of-the-art public-private partnership centers.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

➤ **School Learning:** School Learning Group (SLG) operates out of NIIT’s subsidiary company MindChampion Learning Systems Limited. SLG seeks to help school going children improve their academic outcomes. With its IT curriculum product, it trains more than a million children in developing IT skills for the 21st century. The digital classroom solution today stands out not only for the rich academic content but also the personalized assessment solution. The technology-led Math Lab product brings the fun back into the study of Mathematics.



SLG helps integrate both the teacher and the student, with all its technology based academic solutions. SLG’s vision to enable children in schools to use technology as an enabler to achieve success with their individual academic goals has positioned Company well in this segment.

NIIT’s training solutions across Skills & Careers Group, Corporate Learning Group and School Learning Group have impacted over 35 million learners since its inception.

Business-wise split of revenue for FY16 and comparison with the business mix for FY15 is provided in Figure 1.

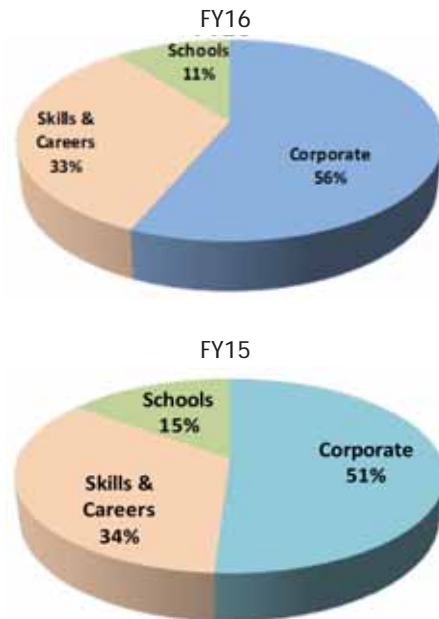


Figure 1: Business Mix

The Company was listed on stock exchanges in India in 1993 as it attained prominence in the IT education and software solutions. In 2003, the software services arm of the Company was demerged as NIIT Technologies Ltd., a public company listed on the stock exchanges in India.

Environment and state of the industry

The Financial Year 2015 -16 remained a challenging year for the global economy with continuing uncertainty due to financial and geo-political risks. The year witnessed a sharp decline in commodity prices and increased volatility in exchange rates, which added to business and operational risks.

While on the one end, the global economy faced challenges, on other hand, it saw the Digital revolution gain momentum. As 'Go Digital' became the success mantra for corporations, a wave of opportunities, including in areas such as training, were created for products, solutions and services providers.

In India, while GDP growth remained strong, investment sentiment continued to remain cautious. The Government of India released a new National Policy on Skill Development and Entrepreneurship to provide

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

impetus to vocational training in the country and also launched the program of ‘Technology incubation and Development of Entrepreneurs’, to give an impetus to the ‘start-up’ movement.

Many industry studies and researches conducted during the year, also pointed to a rise in Digital adoption and its subsequent impact on the revenue of organizations targeting the Digital space. The IT sector increased focus on automation of its services, leading to reduced demand for hiring. Increasing pace of technology transformation and disruption of traditional industries by start-ups drove up the demand for highly skilled technology professionals with niche skills across sectors. Aggressive push for “Digitalization” across sectors is expected to drive the demand for Digital Skills in future.

The latest vision setting study by Indian IT industry spearhead NASSCOM (National Association of Software and Services Companies) and global consultancy firm McKinsey titled ‘Perspective 2025: Shaping the Digital Revolution’ for example, showed that the opportunity that Digital technology will create for Indian business and technology service providers will touch USD 4 trillion by 2025, provided that the Indian technology companies can get on to the Digital Transformation race in the near and long-term, the sector can play a key role in the Digital era. Digital Transformation with its demand for niche, Digital skills across industry verticals, has in fact, enabled the training industry, including NIIT, to offset the sliding demand for IT skills resulting from lowered hiring by the IT sector over the last few years.

Hiring by the banking sector in India remained strong, driven by expansion of branch network by private banks, setting up of new banks, and replacement of retiring staff by public sector banks.

The spending on corporate training in developed economies continued to be robust, and companies increased outsourcing to specialist training providers. There is evidence of increasing trend towards outsourcing of training administration services at large scale. Companies in the Technology/Telecom, Energy, Life sciences and BFSI industries seem to have taken the lead in outsourcing training services.

Company Performance

FY16 was an important year for the Company. NIIT had embarked on a journey of three-phase transformation in the previous year, which included i) Restructuring, ii) Re-energization, and iii) Renewal. Restructuring done in FY15 laid the foundation for commencing the Re-energization phase of the transformation journey in FY16. Steps taken during FY16 brought the Company back on the path of growth and profitability and have placed a strong foundation for the Renewal phase, which is expected to accelerate long-term value creation for the Company.

The consolidated financials for FY16 are provided in Table 2. The analysis in the subsequent section excludes one-time business transformation expenses and charges in FY15 financials for a like-to-like comparison of operating performance.

Table 2: Profit & Loss Statement

Rs. Million	FY16	FY15	YoY
Net Revenue	10,069	9,574	5%
Operating expenses	9,357	9,132	2%
EBITDA	712	442	61%
EBITDA%	7%	5%	245 bps
Depreciation & Amortization	492	621	(21%)
Net Other Income	(146)	(117)	NA
Profit before Tax	74	(296)	NA
Tax	37	12	25 mn
Operational Net Profit/ (Loss)	37	(308)	345 mn
Share of Profits from Associates	635	286	122%
Profit / (Loss) after tax	672	(22)	NA
Basic EPS (Rs.)	4.1	(0.1)	NA

Excluding one-time transformation costs in FY15 for like-to-like comparison of operating performance

Revenue (Net Revenue) in FY16 was up 5% as compared to FY15 and crossed Rs.10 billion. CLG continued to lead growth and profitability for the Company, driven by strong momentum in Managed Training Services. SNC, which had been facing headwinds due to changing market demand, was “Back to Growth” and “Back in Black” during the year. Strong growth in CLG made up for the planned reduction in revenue from SLG.

The Operating Profit (EBITDA) was Rs. 712 million or 7% of revenue in FY16. This was up 61% versus last year.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

This was driven by steady growth in CLG and turnaround in profitability in SNC.

Depreciation and amortization declined further by 21%, reflecting planned reduction in capital intensity of the business due to exit from capex-driven business models.

A detailed discussion of NIIT's business and performance is given in the subsequent paragraphs.

Business Overview

NIIT continued to strengthen its Platforms of Growth, along with focus on improving Liquidity, Profitability, and Capital Efficiency.

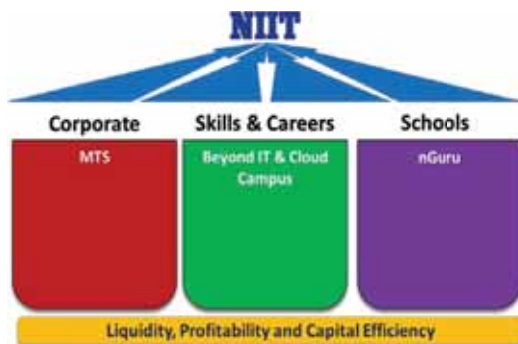


Figure 2: Platforms of Growth

- In CLG, the Company added seven new global customers in FY16, including four in Q4 for its Managed Training Services (MTS) offering. NIIT ended FY16 with 31 MTS customers as compared to 24 last year. Revenue Visibility over the remaining period of existing contracts increased to USD 200 million as compared to USD 179 million last year.
- In SNC, NIIT continued to drive the use of technology for delivery of courses, to increase coverage and improve efficiency. Around 70% of centers and 78% of products are cloud enabled. Revenue from Beyond-IT courses grew 23% over last year. Contribution from Beyond IT increased from 33% last year to 40% in FY16.
- SLG signed 336 schools during the year for its nGuru suite of products. SLG has provided nGuru solutions to over 2000 private schools. NIIT strengthened the leadership team for the business in FY16, including the induction of

a new CEO for the wholly owned subsidiary, MindChampion Learning Systems Limited, which houses NIIT's School Learning business.

Corporate Learning Group

NIIT's Corporate Learning Group provides training outsourcing to Global Multinational Companies headquartered in North America and Europe.

Corporate Training is perhaps the next bastion for outsourcing as corporates around the world have outsourced most non-core activities including technology, procurement, facilities, accounting, HR processes, etc., to specialist providers. However, training has remained largely in-house. No large company has all the trainers and content developers across all subject domains. Therefore, the work is largely in-sourced and procured in a very distributed manner from a large number of boutique suppliers, leading to inefficiencies and low effectiveness.

Global spending on training by companies is estimated to exceed USD 135 billion. However, less than 5% of Fortune 2000 companies have outsourced training. Corporate spending on training continues to grow at a robust pace. The market is opening up and represents a huge opportunity for NIIT.

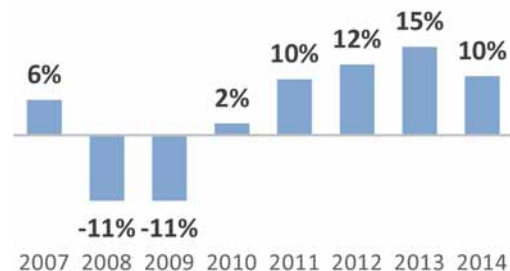


Figure 3: Growth in Corporate Training Spending in the USA (Source - Bersin by Deloitte)

Learning and Development (L&D) is increasingly seen by corporations as one of the keys to driving business success. Therefore, global corporations are not only demanding greater accountability and efficiency on spending from their L&D function but also expecting it to lead to measurable improvement in employee productivity and business outcomes.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

NIIT offers innovative solutions under its Managed Training Services that helps clients accelerate business impact. NIIT's team of learning professionals is helping the world's leading companies transform their training function through training outsourcing services that reduce costs, add measurable value, and increase business impact while allowing customers to redirect resources and energy into core business functions. NIIT's Managed Learning Services includes the following towers:

- Custom Content and Curriculum Design
- Learning Delivery
- Learning Administration
- Strategic Sourcing
- Learning Technology
- Advisory Services



Figure 4: Managed Training Services

The strong value proposition, innovation, and excellence in customer service continue to reflect in a number of industry recognitions and awards, with many of these won in partnership with our customers.



NIIT is focused on the following industries/verticals:

- Technology & Telecom
- Energy
- Life sciences
- Banking, Financial Services, and Insurance (BFSI)

The selected verticals represent the highest per

employee spending on training, with a significant portion of the training spend driven by regulation.

In FY16, CLG grew by a robust 16%, driven by strong growth momentum in MTS. MTS has grown 6x over the last 5 years at a CAGR of 43%. CLG added seven new MTS customers during FY16, including four new MTS customers in Jan-Mar quarter (Q4), taking the number of global MTS customers to 31. CLG delivered a strong performance despite headwinds in the energy vertical, due to sharp decline in oil prices during the year. Revenue contribution from MTS to CLG revenue increased to 90% as compared to 87% in FY15. The business achieved EBITDA margins of 12% with a marginal improvement of 5 bps versus last year. NIIT has been able to maintain steady margins year-on-year, despite investments in sales and marketing and new capabilities to accelerate scale for the business and transition expenses for the customers added during the year.



Figure 5: MTS Revenue (in Rs. Million)

During the year, NIIT announced the establishment of new facilities in Dublin, Ireland, and in Bergen, Norway, to further invest in the rapid growth of its business in Europe. NIIT now has three established centers in Europe – Dublin, Bergen, and London – with a diverse mix of pan-European staff from the UK, Ireland, Norway, the Netherlands, Romania, and Germany. In addition, NIIT invested in creating additional capacity in India to cater to the growth requirement of CLG over the next three to four years. The investment would help to double the current offshore capacity.

The business had strong order intake of USD 104 million in FY16, which was up 28% (in USD terms) versus last year. As on March 31 2016, CLG has total revenue visibility of USD 200 million from balance periods of existing contracts.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Table 3: Financials for Corporate Learning Group

Rs. Million	FY16	FY15	YoY
Net Revenue	5,679	4,878	16%
Operating Expenses	5,019	4,313	16%
EBITDA	660	565	17%
EBITDA%	12%	12%	5 bps

Skills & Careers Group

NIIT’s Skills & Careers group provides a wide range of courses across IT, BFSI, KPO/BPM, Management Education, Retail, Education, Multi-Sectoral Vocational Skills, Digital Media Marketing, and Professional Life Skills. For this, NIIT leverages its presence in its largest markets, India and China, to offer professional courses for Young Adults, preparing them for careers in different industries and for Working Professionals, who wish to upgrade their skills or reskill themselves for career advancement or a career change.

NIIT has made the transition from being an IT training company to a skills and talent development company, with offerings across a number of service sectors. These Beyond-IT courses have expanded the addressable market for the Company.

While demand for IT training in India continued to be weak in FY16, NIIT witnessed robust demand for its Beyond-IT courses, driven by Financial Services. Revenue contribution from Beyond-IT products grew 23% year-on-year. Revenue contribution from Beyond-IT courses to SNC increased to 40% versus 33% last year.

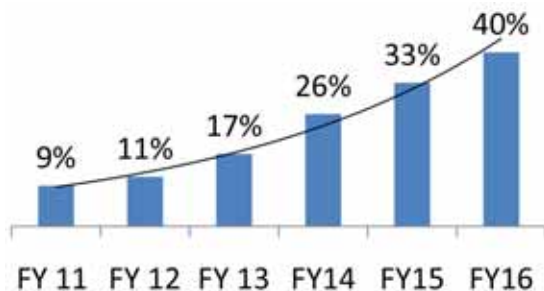


Figure 6: Share of Revenue from Beyond-IT Courses

During FY16, the focus of the business was on re-energizing the business to bring it “Back to Growth” and “Back in Black.” As part of the comprehensive transformation exercise last year, NIIT had reassessed existing businesses, geographies, and products and took strong steps for rationalization of capacity, courses

and organization structure, including exit from certain geographies. The business sharpened focus on its two larger markets of India and China.

During the year, all Beyond-IT products, including comprehensive portfolio of courses from IFBI, Uniqua, Imperia, and NYJ, were made available to the entire network of Own and Business Partner centers, which led to significant increase in reach and revenue potential of these courses.

Growth in Beyond-IT was driven by offerings for the BFSI industry as the Company expanded the offerings across its channel network. During the year, NIIT also launched a 2-month Certificate Program in Global Finance and Accounting, “FinVantage” - a comprehensive fast track training program in Accounts Payable and Accounts Receivable.



To enhance its IT course offerings, NIIT entered into strategic partnerships with HP to offer Post Graduate Certificate Program in Software Testing, and with MetaScale to support India’s Analytics needs. Strengthening NIIT’s EduTech credentials, the Company rolled out its Cloud Campus delivery platform in China. As part of this rollout, NIIT extended the platform to support learners in Mandarin.

Cloud Campus remains an integral part of the future of NIIT and is the identified Platform of growth in the Skills & Careers business. Cloud Campus delivery platform helps NIIT address these needs, achieve higher scalability with available resources, lower the delivery cost, and achieve better capacity utilization.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Over 70% of the center network is now Cloud enabled and 78% of the courses are now offered on the cloud.

Renewal Initiatives

The turnaround in business performance achieved during the year allowed NIIT to start investing in the renewal phase of the transformation. Significant initiatives launched during the year included Stack Route, and NIIT.tv. In addition, NIIT created a new set of programs aligned to the Digital Transformation of the IT services industry in India under the DigiNxt series.

a) StackRoute

In October 2015, NIIT launched a revolutionary initiative – StackRoute™ – to create multi-skilled and multi-disciplinary full-stack programmers, who can become key members of high-performance teams in top-tier product engineering companies, start-ups, and IT firms, or who can create their own technology start-ups. It is a high-end, specialized program offering that takes a group of talented programmers screened through a rigorous selection process and turns them into high-performance, full-stack programmers that the industry needs urgently. The product has been developed in intense consultation with the industry, start-ups, product engineering companies, and incubators and is strongly endorsed by all the key industry stakeholders. In FY16, NIIT rolled out training for the MEAN Stack (comprising training on MongoDB, Enterprise.js, AngularJS, Node.js, and a number of other related technologies) in Bangalore. The first few batches were fully subscribed by a leading IT services company to train its existing employees.

The initiative has received overwhelming response from start-ups and major IT companies. A number of leading technology companies have already indicated that they would like to hire StackRoute trained programmers in their organizations.

b) DigiNxt – Digital Transformation

As per NASSCOM, 80% of the incremental IT spending by global companies is expected to be on Digital Technologies. By 2025, global technology and business services spending is expected to increase to USD 4 trillion. While the share of traditional technologies is

expected to reduce to 40% from 90% currently, the share of Digital technologies is expected to increase to 60%. This represents a huge opportunity for training in Digital skills and reskilling of large proportion of existing professionals employed in the IT services sector.

NIIT plans to revolutionize IT training and education landscape by introducing pioneering programs in Digital Transformation under the DigiNxt series of programs, which were launched recently. This includes futuristic programs like MEAN Stack, Big Data & Data Sciences Stack, Design Thinking, Cloud Stack, Internet of Things (IOT) Stack, Artificial Intelligence and Machine Learning, Robotics and Virtual Reality and Cyber-Security, under the DigiNxt Series brand umbrella.



Through this significant move, NIIT aims to totally re-align the Skills & Careers Group to the changing future-skill-sets requirement of the industry to help create job-ready talent pool for the fast evolving global economy.

c) NIIT.tv

NIIT.tv is a democratic digital learning initiative backed by NIIT's strong EduTech credentials, with an aim to bring high-quality training from its classrooms to every digitally connected learner, for free, at any time, at any place, and in any language of their choice. The initiative received phenomenal response during the year, with over 2,34,000 learners signing up from more than 1,980 cities and over 160 countries. This included over 45,000 students who took advantage of the CBSE online preparation courses for 10th and 12th board exams.



NIIT.tv is meant to be an engagement platform. Students accessing NIIT.tv will be able to access a rich bouquet of high-quality, value-added services from NIIT centers

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

in future, e.g. training, professional certification, career counselling and placement services.

Starting with 20 skill-based training programs in IT, Banking and Finance, and Retail and Management in October 2015, the platform has scaled up to more than 5,500 "live" as well as "on-demand" courses. Within this short period, NIIT.tv also registered one of the highest customer engagement rates, compared to its global and local industry peers.

The financial performance of the Skills & Careers Group for the year is provided in Table 4. Overall, the business returned to growth, driven by strong growth in Beyond IT programs, B2B offerings in India, and growth in International business. The Company strengthened the leadership team for its B2B business in India including the appointment of Mr. Amit Kaul as National Business Development Head. The Company plans to replicate the success of its global experience, garnered with leading Fortune 500 companies, to provide Managed Training Services to selected Indian multinational companies. Within India, the channel business grew by 8% despite reduction in capacity as part of business transformation. Also, while the overall revenue contribution from own centers was lower as compared to the previous year due to capacity rationalization, the revenue contribution from existing centers increased on a like-to-like basis. Rationalization of cost structure and product portfolio enabled SNC to report positive margins despite continued investments in long-term transformation of the business.

Table 4: Financials for Skills & Careers Group

Rs. Million	FY16	FY15	YoY
Net Revenue	3,326	3,283	1%
Operating Expenses	3,275	3,461	(5%)
EBITDA	51	(178)	NA
EBITDA%	2%	(5%)	698 bps

Like-to-like comparison excluding impact of one-time/business transformation expenses

NIIT also started investments in building the multi-modal, online platform, which would be a commercial portal to support online and blended learning offerings. During the year, the Company has incurred expenses of Rs. 22 million for the Online Learning Business.

School Learning Group

NIIT's School Learning Group provides teaching and learning solutions to schools in India. SLG offerings include the futuristic NIIT nGuru range of learning solutions for schools comprising Interactive Classrooms with digital content, technology-driven Math Lab, IT Wizard programs, and Quick School-an Education Resource Planning software.



Figure 7: Comprehensive Product Portfolio

The current K-12 school system in India is one of the largest in the world. India has more than 1.4 million schools with over 250 million students. About 25% of these (~350,000) are private schools, with over 10,000 schools being added every year. India has close to 100 million students enrolled in private schools. In comparison, the USA and the UK have 5.1 million and 0.5 million students enrolled in private schools, respectively (Source: EY-FICCI).

Technology is playing an increasingly important role in education and child development, both inside and outside the schools. This represents a significant market opportunity. NIIT's nGuru learning solutions not only

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

bring back the joy of learning for students but also create measurable impact on academic performance of learners.

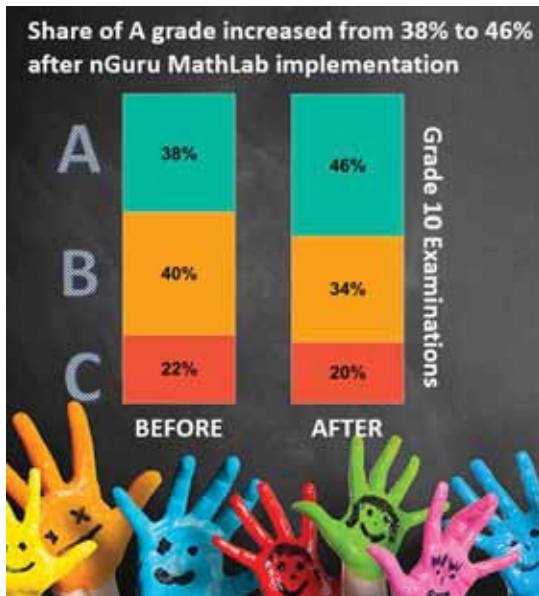


Figure 8: Improving Results
(Extract from Mathlab Impact Study)

During the year, NIIT completed transfer of the School Learning business undertaking into a Wholly Owned Subsidiary company, MindChampion Learning Systems Limited (MLSL). This was done to provide the business with an independent focus and attention. NIIT also strengthened the leadership of the business in FY16, including the appointment of a new CEO. Mr. Gavin Dabreo joined as the CEO of MLSL in November 2015. Gavin comes with significant experience in the K-12 market. The restructuring also creates flexibility for raising growth capital and inviting strategic investors and partners in the future.

As part of the transformation, NIIT had decided to exit capex-driven business models and focus on IP and services driven offerings. The planned ramp down and completion of contracts, with hardware as part of the bundled services, in both government and private schools contributed to a decline in revenue in FY16. NIIT has not added new GSA contracts in the last three years.

Operating margins declined versus last year. However, impact on margins was partially compensated by continued focus on cost management and change in mix in favor of go-forward IP driven business. Revenue contribution from go-forward, IP and Services driven

business was 28% in FY16. SLG signed contracts with 336 private schools in FY16. Order intake for the year was Rs. 439 million.

Table 5: Financials for School Learning Group

Rs. Million	FY16	FY15	YoY (%)
Net Revenue	1,063	1,413	(25%)
Operating expenses	1,041	1,357	(23%)
EBITDA	22	56	(61%)
EBITDA%	2%	4%	(189 bps)

Like-to-like comparison excluding impact of one-time/business transformation expenses

Awards and Acknowledgments

- NIIT is featured as “India’s Most Trusted Education Brand” in Brand Trust Report, India Study, 2016, undertaken by Trust Research Advisory for the fourth consecutive year.
- NIIT was awarded the “Best Innovation Brand” in the Education sector at the ASSOCHAM National Brand Summit & Excellence Awards 2016.
- NIIT is featured as the “Most Respected Education Company” by Business World.
- NIIT Yuva Jyoti was recognized as the Best Institute – Innovation by ASSOCHAM 2016.
- NIIT.tv - a disruptive innovation by NIIT Limited has been awarded the ‘Best online education platform’ at the Indian Education Awards 2016 organised by Franchise India, India’s leading Franchising publication.
- NIIT USA was featured in the 2015 “Top 20 Training Outsourcing Companies” for the ninth consecutive year by Training Industry, Inc.
- NIIT USA received Brandon Hall Group Excellence Award 2015.
- NIIT USA named to TrainingIndustry.com’s Top 20 Gamification Companies List.
- NIIT USA named to TrainingIndustry.com’s Top 20 IT Training Companies List.
- NIIT was conferred with two prestigious awards at “The 5th Indian Education Awards 2015” organized by Franchise India. The Company won the coveted Best Vocational Institute for Banking, Finance & Insurance award for NIIT Institute of Finance Banking & Insurance Training Ltd (IFBI). The prestigious Best Innovative Learning Tool award was presented to NIIT Ngruru MathLab Plus.
- NIIT was awarded the “Franchisor of the Year Award 2015” under the category “Vocational & Skill Development Training Institute” by Franchise India, India’s leading Franchising publication.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

- NIIT USA has been honored with “Brandon Hall Excellence Gold Award” in the Best Custom Content category jointly with Shell for “Shell Services on the Road”.

Consolidated Financials of the Company

Financial year 2015–16 was the first year post the business transformation program in the Company. The program included steps to transform the business, including rationalization of subsidiary companies’ structure, to make it fit for growth and improve profitability.

The consolidated financial summary for FY16 is provided in Table 6.

Table 6: Consolidated Statement of P&L for FY16*

Rs. Million	FY16	FY15	YoY
Net Revenue	10,069	9,574	5%
Operating Expenses	9,357	9,266	1%
- Personnel Cost	3,329	3,040	9%
- Professional and Technical Outsourcing Expenses	3,077	3,172	(3%)
- Purchase of Stock in Trade	470	526	(11%)
- Other Expenses excluding Finance Costs	2,481	2,527	(2%)
EBITDA	712	308	131%
EBITDA%	7%	3%	385 bps
Depreciation & Amortization	492	1,073	(54%)
Net Other Expenses (including Exceptional Items)	(146)	(895)	749 mn
Profit/(Loss) Before Taxes	74	(1,660)	1,734 mn
Taxes	37	12	25 mn
Share of Associate Profits/ Profits attributable to Minority shareholders	635	286	122%
Profit/(Loss) After Taxes Attributable to Equity Holders	672	(1,385)	2,058 mn
Basic EPS (Rs.)	4.1	(8.4)	12.5

*The financials for FY16 and FY15 are not comparable due to one-time, business transformation expenses included in operating expenditure, depreciation and amortization, and exceptional items in FY15. For details of business transformation, please refer the Management Discussion and Analysis section provided in the Annual Report for FY15.

Net Revenue

In FY16, the Company recorded revenue of Rs. 10,069 million, which was higher by 5% as compared to the revenue achieved in FY15. Growth was led by strong demand for Managed Training Services and was partially impacted by planned ramp down in government schools business. The Business Transformation program turned around the Skills & Careers Group (SNC) business, which achieved positive growth.

Operating Expenses

On a continuing business basis, excluding impact of business transformation expenses in FY15, the expenses were up 1% year-on-year. This resulted in improvement in EBITDA margin to 7% versus 3% in FY15, an improvement of 385 basis points. Excluding one-time costs related to business transformation in FY15, the operating expenses increased by 2%. On a like-to-like basis, the EBITDA margin improved by 245 basis points.

Savings in operating costs were driven by business transformation, which included exit from certain geographies, rationalization of product portfolio and capacity & people consolidation. Change in business mix and revenue growth also contributed to margin improvement.

The mix of expenses is impacted by change in business mix, between CLG, SNC, and SLG, and is not comparable on a year-on-year basis.

Depreciation

For the year, the depreciation and amortization at the consolidated level was Rs. 492 million, compared to Rs.1,073 million last year including one-time provision for impairment of fixed assets amounting to Rs. 452 million, down 54% on year-on-year basis. Excluding one time provision for impairment of fixed assets accelerated depreciation has related to business transformation in FY15, depreciation reduced by 21% year-on-year. Continuing decrease in depreciation reflects impact of planned reduction in capital intensity of the business due to exit from capex-driven business models.

Net Other Income

The net other income in FY16 includes:

- Foreign exchange gains/losses
- Interest expenses, net of income from deposits and mutual funds for the Company
- Miscellaneous income
- Exceptional items

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

The net interest and financial expense for FY16 stood at Rs. 221 million, compared to Rs. 134 million for FY15. During the year, the Company recorded a net foreign exchange gain of Rs. 21 million, compared to a loss of Rs. 35 million in FY15. In addition, the Company had net miscellaneous income of Rs. 38 million, compared to Rs. 77 million last year. The Company also gained Rs. 16 million on account of exceptional items, compared to an expense of Rs. 803 million in FY15.

Taxes

During FY16, the Company has made a provision for tax of Rs. 37 million, compared to Rs. 12 million last year. The taxes in FY16 relate to income tax provisions in profitable subsidiary companies.

Table 7: Detailed Analysis of Consolidated Balance Sheet as at the end of the Financial Year

Rs. Million	31-Mar-16	31-Mar-15
Sources of Funds		
Share Capital	331	330
Reserves & Surplus	7,720	6,967
Shareholders' Funds	8,051	7,297
Minority Interest	85	60
Secured Loans	1,949	1,527
Unsecured Loans	0	19
Loan Funds	1,949	1,546
Total	10,085	8,904
Application of Funds		
Fixed Assets		
Gross Block	6,934	6,603
Accumulated Depreciation	5,860	5,498
Net Block	1,074	1,105
Capital Work in Progress	17	42
Investments	5,820	5,258
Deferred Tax Assets (Net)	105	110
Net Other Assets	3,069	2,389
Total	10,085	8,904

The analysis in this MDA does not conform specifically to the new Schedule VI format and has been regrouped for analysis.

Share Capital

During the year, the share capital of the Company increased by Rs. 0.66 million due to issuance of shares

to employees on exercise of Employee Stock Options.

Minority Interest

Minority interest has increased from Rs. 60 million to Rs. 85 million due to profits earned during the year, attributable to minority shareholders of subsidiary companies of NIIT Limited.

Reserves and Surplus

Net increase in Reserves and Surplus as compared to last year is Rs. 753 million. Reserves and Surplus includes capital reserve on account of amalgamation. Pursuant to the composite Scheme of Arrangement in FY15, assets and liabilities of three wholly owned subsidiary companies (Scantech Evaluation Services Limited, NIIT Online Learning Limited, and Evolv Services Limited) had been amalgamated with NIIT Limited at their respective fair values. The difference between book values and fair values of these assets and liabilities had resulted in increase in capital reserve. Reconciliation of changes in Reserves and Surplus amount is provided in Note 4 of the consolidated financial statements.

Loan Funds

As on March 31, 2016, the total gross debt of the Company stood at Rs. 1,949 million, compared to Rs. 1,546 million as on March 31, 2015.

The Company had a Net Debt balance of Rs. 1,062 million (Rs. 1,001 million, excluding impact of change in foreign currency exchange rates on fully hedged foreign currency loan), as compared to a net debt of Rs. 679 million (Rs. 678 million, excluding impact of change in foreign currency exchange rates on fully hedged foreign currency loan) as on March 31, 2015.

As per the new balance sheet format, Rs. 1,804 million is reflected as long-term borrowings and Rs. 145 million as short-term borrowings.

Fixed Assets

As of the beginning of the year, the net block stood at Rs. 1,105 million. During the year, the Company added fixed assets of Rs. 475 million. This included net capitalization of the capital work in progress of Rs. 25 million. The net capex for the year stood at Rs. 450 million.

The category-wise addition in fixed asset is given below:

- New initiatives and products: Rs. 164 million
- Project related capital expenditure: Rs. 17 million
- Capacity expansion and upgrade: Rs. 67 million
- Software Licenses: Rs. 64 million
- Normal capital expenditure: Rs. 163 million

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

The Capital Work in Progress as on March 31, 2016, stood at Rs. 17 million, as compared to Rs. 42 million last year. This includes intangible assets under development. The Net block stood at Rs. 1,074 million as on March 31, 2016.

Investments

At the year end, the investments stood at Rs. 5,820 million, which represents the value of holding in NIIT Technologies Limited. This has been classified as non-current investment. The value has increased as compared to last year due to addition of share of Associate Profit/reserve (net of dividend received) from NIIT Technologies Limited during the year.

Deferred Tax Assets

At the year end, the deferred tax assets (net of deferred tax liability of Rs. 36 million) were Rs. 105 million. This is primarily due to the timing difference in amount of provisions carried in the financial statements and allowed on actual write-off as per the income tax provisions.

Net Current Assets

The elements of net current assets were as follows:

➤ Inventories

Inventories mainly comprise training materials including educational software used by the Company for imparting training and education. Over the year, the value of the inventory held by the Company increased from Rs. 45 million as on March 31, 2015 to Rs. 69 million as on March 31, 2016.

➤ Trade Receivables

The total receivables of the Company on March 31, 2016 were at Rs. 2,500 million, up Rs. 328 million as compared to Rs. 2,172 million as on March 31, 2015, representing 91 days sales outstanding. The increase in receivables as compared to last year is attributable to delays in collection of receivables from government projects, change in business mix in favor of business-to-business revenue in overall revenue mix and impact of depreciation of INR on foreign currency receivables.

Of the total, an amount of Rs. 79 million has been classified as non-current based on the due dates of debtors as on March 31, 2016.

➤ Cash and Bank

The cash and bank balances as on March 31, 2016, stood at Rs. 887 million, compared to Rs. 864 million as

on March 31, 2015. During the year:

- NIIT generated cash from operations of Rs. 577 million, as compared to Rs. 260 million in FY15. The increase is due to higher operating profit.
- NIIT utilized Rs. 718 million for investment activities sale/purchase of fixed assets & mutual funds, as compared to Rs. 207 million last year.
- NIIT had net cash inflow of Rs. 164 million from financing activities, including payment of interest and dividend, repayment of debt and proceeds of new debt versus net cash out flow of Rs. 64 million in FY15.

During the year, there was a positive impact of exchange rate of Rs. 49 million on cash balance (Rs. 17 million last year), included above.

➤ Other Current Assets

Other Current Assets included interest receivable and unbilled revenue. The balance as on March 31, 2015, stood at Rs. 898 million, as compared to Rs. 607 million in the previous year. Of this, Rs. 12 million has been classified as non-current. The increase in other current assets is primarily due to the addition in unbilled revenue and depreciation of Rupee.

➤ Loans and Advances

Loans and advances primarily included advances to suppliers, deferred expenses, rent advances, and security deposits given for premises as well as advance tax paid. As on March 31, 2016, total loans and advances stood at Rs. 1,998 million, compared to Rs. 1,476 million as on March 31, 2015. Increase in loans and advances includes capital advance towards purchase of offshore campus, to address requirement of capacity expansion for the Corporate Learning business over the next few years.

Based on the realization time horizon of the loans and advances, an amount of Rs. 1,323 million has been classified as non-current.

➤ Sundry Creditors and Other Current Liabilities

Sundry Creditors and Other Current Liabilities have increased from Rs. 2,604 million in FY15 to Rs. 3,120 million in FY16. Other Current Liabilities consist of advances from customers, security deposits, deferred revenue and other liabilities. The increase in Current liabilities is on account of growth in CLG business, use of variable capacity for delivery, and impact of currency translation due to depreciation of INR on foreign currency payables.

➤ Provisions

The total provisions reduced from Rs. 172 million in FY15 to Rs. 163 million in FY16.

Accounting Policies

The Company has selected the accounting policies described in the notes to accounts, which have been consistently applied and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2016, and of the profit or loss of the Company for that year. The significant accounting policies and practices followed by NIIT Limited are disclosed in Note 2.3 of the consolidated financial statements for the year.

Related Party Transactions

Related Party transactions are defined as transactions of the Company of material nature with Promoters, Directors or the Management, their subsidiaries, or other related parties who may have a potential conflict with the interest of the Company at large. There were no material transactions during the year under review that were prejudicial to the interests of the Company. All transactions covered under related party transactions were regularly ratified and/or approved by the Board, the guiding principles being arm’s length, fairness and transparency. The details of related party transactions are given in the Notes to Accounts.

Human Resources

The Company is built on the foundation of people being the key driver for the growth of the organization. People are at the core of its Vision, which espouses mutual positive regard, career building and opportunities for learning, thinking, innovation and growth. The Company offers an environment where all-round development is as much of a goal as realization of profits for the Company and of career ambitions for the people.

During FY16, the Company continued to focus on driving a performance culture through the goal setting and BSC process. Leadership Development initiatives were introduced through CEO’s Leadership Circle and Trailblazers’ Club. Focused training interventions were made for the capability building of middle level managers. The Company initiated Role Based Training & Certification for certain identified pivotal roles to ensure higher performance. The Company continues to take initiatives to raise the quality of the fresh talent being acquired—both fresh graduates and lateral hires—through Campus drives, top management involvement in leadership hiring, refining RJDs, etc. Inter IBU career growth was driven through talent mobility initiatives.

As of the year end, the people count stood at 2,372 (excluding project staff) with 67% in direct roles, 11% in Sales & Marketing, and the balance in indirect roles.

Future Outlook

After completing the business restructuring in FY15 and taking the steps to re-energize the business during FY16, the Company is now back on the path of growth and profitability and is ready to embark on the next stage of transformation. The Renewal phase of transformation involves new models for delivery and technology-based platforms to help build a sustainable momentum in growth and profitability for the Company.



Figure 9: Future Direction

➤ **Corporate Learning:** The nascent training outsourcing market offers an opportunity for sustained growth and profitability for NIIT. Training outsourcing is increasingly being considered by large, global multinational companies, which is expected to help drive continued growth momentum for NIIT’s Managed Training Services. The Company has entered the new financial year with a robust pipeline of MTS contracts some of which are potentially large and comprehensive annuity engagements. The Company now has a demonstrated track record of managing comprehensive MTS engagements for its existing customers. CLG plans to leverage this capability and experience to accelerate growth through larger ticket annuity contracts. On the margins front, CLG plans to drive margin improvement through product mix change in favor of higher margin services and through productivity improvement in delivery operations. The productivity program initiated in FY16 is beginning to deliver results. In the near term however, NIIT would continue investments in

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

sales and marketing to accelerate growth rates and in building new capabilities, including advisory services and technology platforms, to enhance value creation for its customers.



Figure 10: EASE Platform for Comprehensive Learning Analytics

In addition, CLG would continue to explore opportunities for enhancing growth rates, improve offerings in focus sectors, and add capabilities through inorganic growth.

➤ **Skills & Careers:** SNC business returned to growth and profitability in FY16. The StackRoute initiative launched during the year re-established NIIT as a leader and innovator in the IT services industry. While StackRoute addresses the top end of the IT professionals with advanced programs, this is also enabling NIIT to work closely with the leading companies for re-skilling and upskilling opportunities of the large IT workforce in the country. The recently launched DigiNxt series of programs is aligned to the significant Digital Transformation opportunity. The Company believes that StackRoute and DigiNxt programs would drive growth for its IT training portfolio.



Figure 11: DigiNxt Offerings

Beyond-IT programs are expected to continue their growth momentum with strong demand from both private and public sector banks. These programs have been made available to the entire network of owned and business partner centers, leading to a significant increase in revenue potential from these courses.

The Company would continue to focus on India and China to drive growth. The Company believes that while technology continues to play an increasing role in training delivery, a large portion of paying students would continue to prefer blended learning programs with value added services being delivered at a physical center. NIIT plans to build a comprehensive skills marketplace using a technology-based learning platform, which brings together learners, multiple training partners, and industry.



Figure 12: Digital Opportunity Landscape

➤ **School Learning:** NIIT continues to ramp down capex-driven and capital-intensive business in schools and is focusing on IP-driven business in private schools. While this would continue to impact revenue growth in the near term, completion of existing contracts for government schools would lead to improvement in liquidity and capital efficiency of the business.

The immediate focus of the business is to build strong momentum in new-age products in the nGuru product suite, including NIIT MathLab, which are expected to drive growth and margin improvement for the business. NIIT aspires to become the largest and the best school service provider in the country, with a comprehensive product and services portfolio, and to address the large opportunity in the B2C segment. The business is working on creating an integrated learning platform with learning content, assessments, and learning

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

diagnostics, which addresses the current gap in the current EduTech offerings in the K-12 market.



Figure 13: Integrated Learning Platform for K-12 Students Risk and Concerns

As a global enterprise, NIIT is exposed to a wide variety of risks across its different lines of businesses. NIIT has put in place a comprehensive and robust enterprise-wide risk management structure, to enable all the businesses to recognize risks in advance based on the key initiatives by business, so that appropriate and adequate mitigation plans can be worked out to ensure the goals are achieved. The risk management mechanism is an integral part of the Company’s core process and involves recording, monitoring, independent testing, and controlling of the internal functions of enterprise by way of establishing Risk Control Matrix (RCM) to ensure process control, Business Risk Management (BRM) framework for business objectives and Entity Level Control (ELC) for a comprehensive risk reporting. Through the said mechanism, the Company aims to achieve an optimum balance between risk and reward, with the underlying objective of maximizing value for the shareholders.

The rapid changes in technology across the globe have necessitated a dynamic change in the Company’s business and delivery models. As risk taking is an intrinsic part of all the businesses, it has been our constant endeavor to balance risk appetite in each line of business to ensure

that each of the businesses generates high risk-adjusted returns. NIIT has taken proactive steps to identify and prioritize the risks upfront, document them in consultation with the business groups, and define the risk management framework.

Pursuant to section 134(5)(e) of the Companies Act 2013, the Company has laid out Internal controls over Financial Reporting to be followed by the Company. Such internal financial controls are adequate and are operating effectively. The broad framework followed is as below.



Figure 14: Internal Control over Financial Reporting (ICFR)

At entity level, NIIT’s risk management framework addresses all the significant risks of the businesses as envisaged by the management from time to time, based on past experience, environment surrounding each business activity, and future initiatives, to achieve the business group’s objectives along with relevant mitigation strategy. The mitigation strategy is simultaneously addressed by the respective business group for each of the identified risks while finalizing strategic and operational parameters of the business. The compliances and assurance of the risk mitigation strategies are addressed by the Internal Audit and Assurance Group.

The Company has identified the major and significant risks into two broad categories, External Risks and Internal Risks, with mitigation strategies of each.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)



Figure 15: Risk Categories

The Company is well diversified in terms of both its service offerings and geographic spread. The mix of revenue from the different business lines (Corporate Learning, Skills & Careers and School Learning) ensures that the Company is well positioned to manage slowdown in a particular product portfolio or in a specific geography. The Company believes that with the Enterprise Risk Management (ERM) process in place, it has a robust mechanism for risk management, and the strategies for risk management are reviewed at appropriate levels and at regular intervals.

Internal Control Systems and Its Adequacy

The Company has adopted global practices for evaluating and reporting on internal controls, based on

its operational experience in multiple countries. It has also implemented one of the leading ERP solutions in its global operations to integrate various facets of business operations including Human Resources, Finance, Logistics, and Sales. This has enabled the Company to control and monitor its worldwide operations and strengthen the ability of internal controls to function most optimally. The evaluation of internal controls is an integral part of the plan for Audit & Assurance Organization.

Disclaimer

Statements in this management discussion and analysis describing the Company’s views about the industry, objectives, projections, estimates, and expectations may be “forward-looking statements” within the meaning of applicable laws and regulations. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances, or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned as not to place undue reliance on the forward-looking statements as they speak only as of their dates. The MD&A should be read in conjunction with the Company’s financial statements included herein and the notes thereto. Information provided in this MD&A pertains to NIIT Limited and its subsidiaries on a consolidated basis, unless otherwise stated.

CORPORATE GOVERNANCE REPORT

Your Company believes that strong companies are built on the foundation of good governance practices. Corporate Governance encompasses the effective management of relationships among constituents of the ecosystem - shareholders, management, staff members, customers, vendors, governments, regulatory authorities and community at large. These relationships can be strengthened through corporate fairness, transparency, empowerment and compliance with the law in letter and spirit. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interests and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by transparency, accountability and integrity. It has always been believed that an independent Board following international practices, transparent disclosures and empowerment of stakeholders are as necessary as solid financial results

for creating and sustaining shareholder's value. Your Company is conscious of its responsibility as a good corporate citizen and is committed to a high standard of Corporate Governance practices.

At NIIT, value creation is a philosophy that is ubiquitous across the organisation. Stakeholders are the focus of Company's growth strategy. The Company has ensured stability in a dynamic environment and in challenging times.

BOARD OF DIRECTORS Composition of Board

The composition of the Board of Directors is in conformity with the stipulation laid down under Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The details of the Directors on the Board of the Company during the Financial Year 2015-16, including their attendance in Board Meetings and in the last Annual General Meeting, the number of Board and Board Committees they are involved in as on March 31, 2016 are presented below:

Name of Director & DIN	Category	No. of Board Meetings during the Financial Year 2015-16		No. of Directorships in other Indian Companies*	No. of Memberships/ Chairpersonships in other Board Committees**		Attendance in last AGM
		Held	Attended		Member	Chairperson	
Mr. Rajendra S Pawar (00042516)	Promoter & Non-Executive Director	6	6	3	1	-	Yes
Mr. Vijay K Thadani (00042527)	Promoter & Executive Director	6	6	5	3	1	Yes
Mr. P Rajendran (00042531)	Executive Director	6	6	5	-	-	Yes
Mr. Surendra Singh (00003337)	Non-Executive Independent Director	6	5	4	4	1	Yes
Mr. Sanjay Khosla (00981819)	Non-Executive Independent Director	6	3	-	-	-	No
Mr. Anand Sudarshan (00827862)	Non-Executive Independent Director	6	5	5	4	-	Yes
Ms. Geeta Mathur (02139552)	Non-Executive Independent Director	6	6	9	7	2	Yes

* Directorships do not include private companies, companies incorporated under Section 8 of the Companies Act, 2013 (corresponding Section 25 in the Companies Act, 1956) and companies incorporated outside India.

** Board Committees for this purpose includes only Audit committee and Stakeholders' Relationship Committee of public limited companies.

Notes:

- No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013 and its rules thereto.
- Your Company is managed and guided by a professional Board presently comprising Seven Directors out of which four are Independent Directors, constituting more than half of the

Board's total strength. The Directors are eminent persons with considerable professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by Regulation 25 of the Listing Regulations. The Board's role, functions, responsibilities and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

CORPORATE GOVERNANCE REPORT (Contd.)

- Articulating the corporate philosophy and mission;
- Formulating strategic plans;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against strategic plans including overseeing operations;
- Ensuring ethical behaviour and compliance with laws and regulations;
- Reviewing and approving borrowing/lending, investment limits and exposure limits etc.;
- Keeping Shareholders informed about plans, strategies and performance; and
- Ensuring full investor satisfaction.

A brief profile and role of each Director is given below:

Mr. Rajendra S Pawar

Designation: Chairman

Profile: Mr. Rajendra S Pawar is the Chairman and Co-Founder of the NIIT Group, comprising NIIT Limited - a global leader in Skills and Talent Development and NIIT Technologies Limited - a Global IT solutions organization.

Set up in 1981, NIIT pioneered the computer education market in India, creating a completely new industry segment and taking it to consolidation and maturity. Mr. Pawar has played a leadership role in nurturing NIIT into a leading Skills and Talent Development Corporation, offering learning solutions to Individuals, Enterprises and Institutions. Spread across 40 countries, NIIT has impacted over 35 million learners since inception.

In recognition of Mr. Pawar's contribution towards changing the IT landscape of the country, the President of India awarded him the Padma Bhushan - one of the highest civilian awards given by the Government of India - in 2011.

Mr. Pawar served as a member on the Prime Minister's National Council on Skill Development (2009-2014) and has also been a part of the PM's National Taskforce (1998), commissioned to develop India into an IT Superpower. He has been chairing the Committee on Policy Framework for Technology Based Education, Government of India. He is a Member of Rajasthan Chief Minister's Advisory Council and Member of Andhra Pradesh State Knowledge Advisory Board.

Actively involved in India's key Chambers of Commerce, Mr. Pawar has led several ICT industry fora, including NASSCOM (National Association of Software & Service Companies) as its Chairman in 2011-12, giving voice to the sector's aspirations and goals. He is currently the Chairman of Cyber Security Task Force at NASSCOM.

At CII (Confederation of Indian Industries), he has also chaired the IT Committee and the Education Committee. He is a Fellow of the Computer Society of India and the Institution of Electronics & Telecom Engineers.

Mr. Pawar has been an ardent advocate of leveraging technology to make education accessible to the remotest corners in the country, to educate the vast population of underserved, school-aged children. His passion led to the launch of the Hole-in-the-Wall Education (HiWEL) initiative in 1999 with Dr. Sugata Mitra, Chief Scientist emeritus, NIIT. The path-breaking work done by NIIT in spreading computer literacy and improving the quality of education at grass root, through the HiWEL project has earned it the coveted - 'Digital Opportunity Award' by World Information Technology Services Alliance (WITSA) in 2008.

A member of the International Business Council of the World Economic Forum, Mr. Pawar has also been a member of the PIAC (Presidential International Advisory Council for IT) of the Government of South Africa.

Mr. Pawar led NIIT to participate in the ambitious human capacity building project for Bhutan - Chiphen Riggel - designed to help the country transition successfully into a modern Knowledge Society. The Government-assisted project was launched by the then Prime Minister of India and Bhutan on April 30, 2010 on the sidelines of the SAARC summit in Bhutan. The project in its entirety is expected to provide ICT skills to over a fifth of the population of Bhutan, to help them to become confident and empowered citizens of a connected and ICT-enabled world.

Mr. Pawar's contributions have been widely acknowledged by the industry and he has been conferred prestigious awards like - the 'IT man of the Year' by IT industry journal, Dataquest; 'Master Entrepreneur of the Year' by Ernst & Young in 1999 and the 'IT Gem of India' at INFOCOM 2013, India's largest IT & Telecom convention, by the ABP Group, to name a few.

Known for promoting industry-academia alliances, Mr. Pawar has been working closely with the country's well-known educational institutions. He is on the Board of Governors of India's premier institutions - the Indian School of Business (ISB) Hyderabad, IIM Udaipur, Member of the University Court of Delhi University and the Scindia School.

Having revolutionized the IT Training industry, Mr. Pawar is involved in shaping a new model in Higher Education, the not-for-profit NIIT University.

Mr. Pawar studied at the Scindia School, Gwalior and graduated from the country's prestigious engineering institution, IIT, Delhi in 1972 where he pursued the B. Tech programme in electrical engineering. At the

Scindia School he received the 'Madhav Award' in 1999 and the Distinguished Alumnus Award at IIT in 1995. He has also been awarded an Honorary Doctoral Degree by the Rajiv Gandhi Technical University in 2005.

Roles and Responsibilities: Mr. Pawar plays a major role in providing thought leadership and strategic inputs to the Company in addition to helping shape new business and driving the strategic HR program in the Company.

Mr. Vijay K Thadani

Designation: Vice-Chairman & Managing Director

Profile: Mr. Vijay K Thadani is the Vice Chairman & Managing Director of NIIT Limited, a leading Global Skills and Talent Development Corporation. As the co-founder of NIIT Group, he has built an organization that is recognized for its visionary role in bringing the benefits of Information Technology, both as a professional skill and as a learning tool, to the masses.

Mr. Thadani has led the Group's globalization efforts since 1991, taking the NIIT flag to over 40 countries and has been actively engaged with many Industry Associations. He served as President of the Indian IT industry association, MAIT and as the Chairman of CII Northern Region in 2011- 2012. He also served as the Chairman of the National Accreditation Board for Education and Training (NABET), under the aegis of the Quality Council of India and as the Chairman of Board of Governors of Indian Institute of Information Technology (IIIT), Allahabad.

Mr. Thadani is the co-founder of the not-for-profit, NIIT University established in 2009 with a vision of being the leading center of innovation and learning in emerging areas of the Knowledge Society. He is a Founder Director on the Board of NIIT Technologies Limited, a leading SEI-CMMi Level 5 assessed IT Solutions organization, servicing customers in the USA, Europe, Japan, Asia Pacific and India. He chairs the Board of Governors of MN National Institute of Technology, Allahabad and serves on the Board of Governors of Indian Institute of Technology (IIT), Delhi. He also chairs CII's National Committee on Higher Education and serves on the Governing Council of All India Management Association (AIMA).

A 'Distinguished Alumnus' of the premier Indian Institute of Technology, Delhi, Mr. Thadani was honored with the position of 'Economic Consultant' to Chongqing, world's largest city in the People's Republic of China.

Roles and Responsibilities: As the Vice-Chairman & Managing Director of the Company, Mr. Thadani provides strategic direction and oversight to the Chief Executives and Heads of the Company's global businesses. His responsibilities include leading the Company's Strategic Alliance and Technology partnership initiatives and in

addition to oversee the Finance, Investor Relations and Corporate Communications functions. He also serves as the Chairman, Board of Directors of NIIT Institute of Finance Banking and Insurance Training Limited and NIIT Yuva Jyoti Limited.

Mr. P Rajendran

Designation: Joint Managing Director

Profile: Mr. P Rajendran, Joint Managing Director & Co-Founder of NIIT Ltd., is a member of the core team that developed and brought the organization to its present position of global standing, since its inception in 1981.

He received his degree in Electrical Engineering at Indian Institute of Technology Delhi, India in 1974 and joined KELTRON, a nascent electronic products company set up by Govt. of Kerala, where he worked for eight years. During this period he was involved in marketing, product management and sales of electronic industrial products. Later he moved into the domain of electronic automation and control of power stations.

Mr. Rajendran also serves on the Board of Management of the not-for-profit NIIT University set up in Neemrana, Rajasthan with the vision of creating the University of the future built on the foundation of Industry-linked, Technology-based, Research-driven and Seamless learning. He is also actively engaged with NIIT Foundation, which addresses the skilling and employability needs of youth from the underprivileged segments of the society.

Mr. Rajendran has been associated with the apex industry association, Confederation of Indian Industry (CII). He has chaired the CII North Region Committees on HR and Information Technology; and later on led the CII National Committee on Higher Education over three years.

Roles and Responsibilities: Mr. Rajendran leads the corporate teams engaged in Human Resources, Commercial Services, Legal Services and provides oversight for the School Learning Solutions business.

Mr. Surendra Singh

Designation: Independent Director

Profile: Mr. Surendra Singh is an IAS Officer (Retd.). He has a Masters degree in Mathematics from the University of Allahabad. He has held very senior positions in the Central and State Governments. Starting his public service in 1959, Mr. Singh has held positions like Special Secretary to the Prime Minister of India, Cabinet Secretary to the Government of India, Secretary to the Council of Ministers and Secretary, Ministry of Industry. He was an Executive Director on the Board of the World Bank, representing India, Bangladesh, Sri Lanka and Bhutan. He was Director on the Boards of the International Finance

Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). Mr. Singh was invited to NIIT's Board as an Independent Director in 2001.

Acknowledging his contribution in civil services, Mr. Singh has been awarded the country's prestigious civilian honour, Padma Bhushan by the President of India in 2011.

Roles and Responsibilities: Mr. Singh advises the Company on internal controls, audit systems, compensation structure and investor relations. He is the Chairperson of the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee and is member of Audit Committee of the Company.

Mr. Sanjay Khosla

Designation: Independent Director

Profile: Mr. Sanjay Khosla is a Senior Fellow at the Kellogg School of Management, Northwestern University, USA.

Mr. Khosla was the President of Kraft's Developing Markets and was responsible for the Company's almost US \$ 16 billion business in over 60 countries covering Asia Pacific, Latin America, Central and Eastern Europe, Middle East and Africa. This included management of the Cadbury business which was acquired by Kraft in 2010. Before joining Kraft Foods in January 2007, he was the Managing Director of Fonterra Brands, New Zealand's largest multinational Company and one of the world's biggest dairy companies. Prior to this, Mr. Khosla was Senior Vice President, Global Beverages, Unilever and Chairperson of that Company's Global Board for the beverages category. During his 27 year career with Unilever, Mr. Khosla held senior positions in India, Europe and the United Kingdom. He has also led lectures on managing international brands and business at Columbia University in New York, University of Chicago, Northwestern University and IMD in Lausanne, Switzerland.

Mr. Khosla is an alumnus of the premier IIT, Delhi and has completed an Advanced Management Program from Harvard University. In 1998, he was named as "Marketing Superstar" by the prominent marketing industry publication, "Advertising Age". Mr. Khosla was invited to NIIT's Board as an Independent Director in 2002.

Roles and Responsibilities: Mr. Khosla advises the Company on brand building, marketing strategy, remuneration policies and other matters. He is the Chairperson of Nomination and Remuneration Committee and is member of Stakeholders' Relationship Committee of the Company.

Mr. Anand Sudarshan

Designation: Independent Director

Profile: Mr. Anand Sudarshan is Founder & Director of Sylvant Advisors Private Limited. Sylvant provides advisory services to institutions, enterprises, governments & investors globally, as well as invests, incubates & accelerates early-stage companies in the EdTech sector. He is currently a Venture Advisor to TVS Capital Funds, serves on a number of boards, as well as government committees on policy advisory in education.

Till June 2012, he was Vice-Chairman & MD of Manipal Global Education (MaGE) – headquartered out of Bangalore, MaGE is the largest higher education entity out of India. Till September 2013, Mr. Sudarshan served as an Independent Non-Executive director of MaGE. Prior to MaGE, Mr. Sudarshan worked for a number of years in the Indian InfoTech industry, where he had co-founded a number of companies.

A recognized leader in the education sector, Mr. Sudarshan is a founding member of EDGE (an education sector forum and think-tank), National Chair of FICCI's Start-up & Innovation Committee, Co-Chair of FICCI Karnataka State Council and also a member of FICCI's national committees on Higher Education & School Education. He is also a trustee of Head Held High Foundation, which is transforming rural poverty through empowering low-or-no educated youth through innovative training methods.

Mr. Sudarshan holds a Bachelor of Engineering degree in Electronics and Communications Engineering from the National Institute of Technology, Trichy, India, and a PGDM from the Indian Institute of Management Calcutta, India.

Roles and Responsibilities: Mr. Sudarshan advises the Company on strategic matters. He is a member of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.

Ms. Geeta Mathur

Designation: Independent Director

Profile: Ms. Geeta Mathur, a Chartered Accountant, specializes in the area of project, corporate and structured finance, treasury, investor relations and strategic planning.

She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the Board of reputed companies such as Eicher Motors, Siel Limited etc. She then worked in various capacities in large organizations such as IBM and

CORPORATE GOVERNANCE REPORT (Contd.)

Emaar MGF where she developed diversified expertise across Corporate Finance, Treasury, M&A, Strategy, Supply Chain, Investor Relations, Restructuring, Accounts & Audit, Corporate Governance and General Administration. Besides finance, she is equipped with strong understanding and experience in operations and commercial contracts. She has developed, reorganised, streamlined and led large national teams. She transitioned from the Corporate sector to the development sector as CFO of Helpage India, where besides successful implementation of Oracle ERP and setting up processes for budgeting and MIS was consistently awarded by the Institute of Chartered Accountants and South Asian Federation of Accountants for best presented and transparency in accounts. She is currently on boards of several large companies across sectors including Motherson Sumi Limited, IIFL Holdings Limited.

She is a graduate in Commerce from Shriram College of Commerce, Delhi University and did her articles with Pricewaterhouse while pursuing her CA.

Roles and Responsibilities: Ms. Geeta Mathur advises the Company on financial matters. She is Chairperson of the Audit Committee and member of the Nomination and Remuneration Committee of the Company.

BOARD MEETINGS

Six (6) Board Meetings were held during the Financial Year 2015-16 and gap between two meetings did not exceed one hundred and twenty days. Board Meetings were held on May 27, 2015, July 17, 2015, September 08, 2015, October 21, 2015, January 20, 2016 and March 30, 2016.

The Company holds at least four Board meetings in a year, with a maximum time gap of one hundred and twenty days between two meetings, to review the Financial Results. Besides these, additional Board meetings are convened to address any specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. All Directors on the Board are free to suggest any item for inclusion in the agenda for consideration of the Board.

During the year, separate meeting of the Independent Directors was held on January 21, 2016 without the attendance of Non - Independent directors and members of the management.

The necessary information as mentioned in Schedule II of the Listing Regulations has been placed before the Board for their consideration. The Board and/or Committees have, inter-alia, addressed the following key items:

- Three year perspective plan & vision of the Company for global eminence;
- Annual business plan;

- Investments and/or loans made by the Company;
- Formation of subsidiary companies (including overseas subsidiary companies);
- Review of operations (including operations of subsidiary companies);
- Strategic acquisitions of companies and critical assets;
- Strategic decisions relating to new ventures;
- Statutory matters;
- Related Party Transactions;
- Review of payment of remuneration to Directors;
- New alliances;
- Review of minutes of Committee Meetings;
- Review of minutes of Board Meetings of the subsidiary companies;
- Review of foreign exchange exposures;
- Review of annual budgets, capital budgets and utilization of funds;
- Review and adoption of accounts, quarterly and annual Financial Results;
- Recruitment and remuneration of senior officers just below the Board level, including appointment of the Company Secretary;
- Materially important litigations, show cause notice, demand, prosecution and penalty notices;
- Any material default in financial obligations to and by Company or substantial non-payment for goods/services sold/rendered by Company;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Any significant development on human resource matters;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Company has laid down procedures to inform the Board Members about the risk assessment and mitigation procedures.

BOARD COMMITTEES

In accordance with the various provisions of the Listing Regulations and the Companies Act, following Committees of the Board are in operation:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

CORPORATE GOVERNANCE REPORT (Contd.)

Audit Committee

In line with the statutory provisions of Listing Regulations and as a measure of good Corporate Governance with a view to provide assistance to the Board in fulfilling its oversight responsibilities, an Audit Committee of the Directors was constituted. More than two-third of the members of the Committee are Independent Directors and every member has rich experience in the financial sector. The Company Secretary acts as Secretary to this Committee. Statutory Auditors, Internal Auditors and Senior Management Personnel of the Company also attend the meetings by invitation. The recommendations of the Audit Committee are placed before the Board for its consideration and approval. As on March 31, 2016, the following Directors were members of the Audit Committee:

1. Ms. Geeta Mathur - Chairperson
2. Mr. Surendra Singh
3. Mr. Vijay K Thadani
4. Mr. Anand Sudarshan

Functions and Terms of Reference

The terms of reference of Audit Committee are as per the requirements of Companies Act, 2013 and Listing Regulations and includes such other functions as may be assigned to it by the Board from time to time.

The main functions of the Audit Committee, include, inter-alia:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval/Ratification of other services as may be required to be availed from auditors of the Company;
- Examination of the Financial Statements and the Auditors' Report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments, if any;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;

- Such other functions/area/term as desired/referred by the Board from time to time or required under applicable law/Listing Regulations for time being in force.

The particulars of the meetings attended by the members of the Audit Committee and the date of the meetings held during the Financial Year 2015-16 are given below:

Name of Members	No. of Meetings during the Financial Year 2015-16		Date of Meetings
	Held	Attended	
Ms. Geeta Mathur	6	6	May 26, 2015 July 16, 2015
Mr. Surendra Singh	6	5	September 08, 2015
Mr. Vijay K Thadani	6	6	October 20, 2015 January 19, 2016
Mr. Anand Sudarshan	6	5	March 30, 2016

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted to identify persons who are qualified to become directors or who may be appointed in senior management and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and to carry out evaluation of every director's performance. The Nomination and Remuneration Committee of the Company is also entrusted to frame policies and systems for Employees Stock Option Plans and to formulate and administer the Company's Employees Stock Option Plans from time to time.

The remuneration policy of the Company is aimed to reward performance, based on review of achievements on a regular basis.

As on March 31, 2016, the following Directors were members of Nomination and Remuneration Committee:

1. Mr. Sanjay Khosla – Chairperson
2. Mr. Rajendra S Pawar
3. Ms. Geeta Mathur
4. Mr. Anand Sudarshan

Functions and Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee of the Company are as follows:

- To identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

CORPORATE GOVERNANCE REPORT (Contd.)

- To carry out evaluation of every director's performance;
- To devise a policy on diversity of Board of Directors;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Committee while formulating the policy, shall ensure that:
 - o the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - o relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - o remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To recommend to the Board, the remuneration (including any modification therein) payable to the Managing Director or Whole-time Director or Manager of the Company;
- Such other functions/area/term as desired/referred by the Board from time to time or required under applicable law /Listing Regulations, for time being in force.

The particulars of the meetings attended by the Members of the Nomination and Remuneration Committee and the dates of the meetings held during the Financial Year 2015-16 are given below:

Name of Members	No. of Meetings during the financial year 2015-16		Date of Meetings
	Held	Attended	
Mr. Sanjay Khosla	6	3	May 26, 2015
Mr. Rajendra S Pawar*	6	4	June 24, 2015
Ms. Geeta Mathur	6	6	July 17, 2015
Mr. Anand Sudarshan	6	5	October 20, 2015
Mr. Surendra Singh**	6	-	January 19, 2016 March 30, 2016

*Mr. Rajendra S Pawar was appointed as Member of the Committee w.e.f. May 27, 2015 and 5 (Five) Nomination and Remuneration Committee Meetings were held during his tenure as member of the Committee.

**Mr. Surendra Singh ceased to be the Member of the Committee w.e.f. May 27, 2015 and 1 (one) Nomination and Remuneration Committee Meeting was held during his tenure as member of the Committee.

Remuneration Policy

The Nomination and Remuneration Committee has the powers to determine and recommend to the Board the amount of remuneration, including performance-linked bonus and perquisites, payable to Directors, Senior Management and other employees. The recommendations of the Committee are based on the evaluation of the performance and other criteria, as laid down and as per the Company's Rules/Policies. In terms of the guidelines, the Company ensures that the remuneration payable to Managing Director and Whole-time Directors by way of salary including other allowances and monetary value of perquisites should be within the overall limit as specified under the Companies Act, 2013 and approved by the Shareholders.

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated. For details, please refer Director's Report.

Remuneration to Executive Directors

Details of Remuneration paid to Managing Director and Whole-time Directors (Executive Directors) for the Financial Year 2015-16:

(Amount in Rs.)

Particulars	Mr. Vijay K Thadani	Mr. P Rajendran	Total
Salary	7,224,000	5,028,000	12,252,000
Perquisites and allowances	4,828,426	9,464,739	14,293,165
Contribution to Provident Fund, Superannuation Fund or Annuity Fund	3,568,132	2,438,148	6,006,280
Performance- Linked Bonus	-	-	-
Total*	15,620,558	16,930,887	32,551,445

Notes:

1. Service Contract of Executive Directors : Until cessation in service
2. Notice period : Six months unless otherwise agreed by the Board
3. Severance fee : None unless otherwise agreed by the Board
4. *The Salary details includes the following arrear salary pertaining to Financial Year 2014-15 however paid during the Financial Year 2015-16:

Mr. Vijay K Thadani -	Rs.52,426/-
Mr. P Rajendran -	Rs.2,492,739/-

Remuneration to Non-Executive Independent Directors

The Non- Executive Directors play an important role in the Governance of the Company and in advising the Board in critical domains like finance, marketing, remuneration, planning and legal matters. Non-Executive Independent Directors do not have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, its subsidiary companies and associate companies, except the remuneration paid to Non-Executive Independent Directors. The Non-Executive Independent Directors are paid sitting fees (for attending the meetings of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee). The Company from time to time also decides to pay annual commission to Non-Executive Independent Directors (based on the net profits of the Company and within the limits approved by the Shareholders) in compliance with the applicable provisions of Companies Act, 2013.

Following remuneration has been paid to Non- Executive Independent Directors for the Financial Year 2015-16 as determined by the Board:

Name of Director	Amount of sitting fees paid* (Rs.)
Mr. Surendra Singh	920,000
Mr. Sanjay Khosla	440,000
Mr. Anand Sudarshan	1,120,000
Ms. Geeta Mathur	1,200,000
TOTAL	3,680,000

*pertains to 2015-16, however paid in the Financial Year 2016-17.

Mr. Rajendra S Pawar holds 584,853 Equity Shares in the Company (including 155,000 Equity Shares as first holder with spouse, 427,326 Equity Shares as second holder with spouse and 2527 Equity Shares as Karta of HUF). Mr. Sanjay Khosla holds 56,250 Equity Shares in the Company. No other Non-Executive director of the Company holds any share in the Company as on March 31, 2016.

No Stock Options were granted to Non-Executive Directors under ESOP-2005 during the Financial Year ended March 31, 2016.

Disclosures regarding re-appointment of Directors

The names and details of the Directors who are being reappointed are provided in the Notice to the 33rd Annual General Meeting.

Details of options granted under NIIT Employee Stock Option Scheme

The remuneration policy is directed towards rewarding performance of the employees of the Company. It is aimed at attracting and retaining high caliber talent. The

Company grants stock options in pursuit of these goals to eligible employees.

The details of the options granted under 'NIIT Employee Stock Option Scheme, 2005' (ESOP-2005) are provided in the Directors' Report.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted to ensure that all commitment to security holders and investors are met and thus strengthen their relationship with the Company.

As on March 31, 2016, the following Directors were members of Stakeholders' Relationship Committee:

1. Mr. Surendra Singh - Chairperson
2. Mr. Vijay K Thadani
3. Mr. Sanjay Khosla
4. Mr. Anand Sudarshan

Functions and Terms of Reference

The functions and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- To consider and resolve the grievances of security holders of the Company.
- To review the important circulars issued by SEBI/ Stock Exchanges.
- To review changes in the shareholding pattern.
- To take note of the compliance of Corporate Governance during the quarter/year.

The particulars of the meetings attended by the members of the Stakeholders' Relationship Committee and the dates of the meetings held during the Financial Year 2015-16 are given below:

Name of Members	No. of Meetings during the Financial Year 2015-16		Date of Meetings
	Held	Attended	
Mr. Surendra Singh	4	3	May 27, 2015
Mr. Vijay K Thadani	4	4	July 16, 2015
Mr. P Rajendran*	4	1	October 20, 2015
Mr. Anand Sudarshan	4	3	January 19, 2016
Mr. Sanjay Khosla**	4	2	

*Mr. P Rajendran ceased to be the Member of the Committee w.e.f. May 27, 2015 and 1 (one) Stakeholders' Relationship Committee Meeting was held during his tenure as member of the Committee.

**Mr. Sanjay Khosla was appointed as Member of the Committee w.e.f. May 27, 2015 and 3 (three) Stakeholders' Relationship Committee Meetings were held during his tenure as member of the Committee.

CORPORATE GOVERNANCE REPORT (Contd.)

Mr. Mukesh Kumar was the Company Secretary and Compliance Officer of the Company till December 02, 2015. Post his resignation, Ms. Sakshi Sardana was appointed as Interim Compliance Officer pursuant to Listing Regulations till May 10, 2016. After the end of Financial Year, Ms. Arpita B Malhotra has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. May 10, 2016.

During the Financial Year 2015-16, the Company has received requests/queries/complaints from various Shareholders/Investors relating to non-receipt of declared dividend/ bonus shares/Annual Report, change of bank account details, transfer of shares/dematerialization, etc. The same were addressed and resolved to the satisfaction of the Shareholders/Investors. The break-up of the letters received from the Shareholders/Investors are provided in Shareholders' Information section at the end of this Report. As on March 31, 2016, no request/query/complaint was pending for redressal.

Other Committees of the Board of Directors

In addition to the Committees stated above, the Board has constituted the following Committees of the Directors for efficient and quick decision-making on the affairs of the Company:

- a) The Operations Committee which approves the opening/closing of bank accounts, modification in operation of bank accounts, grant of power of attorney/authorisation and such other operational matters.
- b) The Share Allotment Committee, which approves allotment, split, consolidation, rematerialisation and issue of new and duplicate share certificates.
- c) The Debenture Allotment Committee which approves the matters related to issue and allotment of Debentures and matters related thereto.
- d) The Borrowing Committee which approves the borrowing upto prescribed limit on behalf of the Company.
- e) The Corporate Social Responsibility (CSR) Committee which is entrusted with the responsibility of formulating and monitoring the Corporate Social Responsibility Policy of the Company. The CSR committee reviews the plans and activities to be undertaken by the Company, monitoring the implementation of the framework of the policy and recommending the amount to be spent on CSR activities.

CODE OF CONDUCT

The Board of the Company has laid down a Code of Conduct for all Board Members and Senior

Management Personnel of the Company. The Code of Conduct is available on the Company's website <http://www.niit.com/india/training/investors/Pages/corporate-governance.aspx>. Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the Financial Year 2015-16. A declaration signed by the Chief Executive Officer to this effect is annexed to this Report.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment, through a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates. The Company extends all support and assistance required in order to facilitate the Independent Directors to meet / interact with the Business Heads/ members of the Senior Management team as and when desired by them. Presentations are made regularly at the meetings of the Board of Directors of the Company, the Audit Committee and the Nomination & Remuneration Committee, by the Senior Management in relation to the performance of the Company, quarterly and annual results, business strategies, business outlook, various policies, review of internal audit and risk management framework, operations of the Company and its subsidiaries, Business model and strategy of the Company, amendments in applicable laws etc. The minutes of the meetings of various committees are periodically circulated to the Board. All the relevant developments relating to the Company are informed to the Board as and when deemed necessary. Detailed Familiarisation Program imparted to Independent Directors is available on Company's website <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>.

CEO AND CFO CERTIFICATION

In terms of Regulation 17(8) of the Listing Regulations, Certificate issued by Chief Executive Officer and Chief Financial Officer confirming that the Financial Statements present the true and fair view of the Company's affairs and are in compliance with existing accounting standards, internal control and disclosures, is annexed to this Report.

SUBSIDIARY COMPANIES

Regulation 16(1)(c) of the Listing Regulations defines a "material subsidiary" as subsidiary company whose income or net worth exceeds 20 percent of the

CORPORATE GOVERNANCE REPORT (Contd.)

consolidated income or net worth respectively, of the listed holding company and its subsidiary companies in the immediately preceding accounting year. The Policy for determining material subsidiaries is available on the Company's website at the below link: <http://www.niit.com/authoring/Documents/Other%20Disclosures/Policy%20for%20determining%20Material%20Subsidiaries.pdf>.

GENERAL MEETINGS

Details of the last three Annual General Meetings (AGM) and the Special Resolutions passed are given below:

Financial Year	Date & Time	Location	Special Resolution(s)
2014-15	September 08, 2015 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	No Special Resolution passed in the AGM
2013-14	July 07, 2014 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	<ol style="list-style-type: none"> 1. Approval for Payment of Remuneration to Mr. P Rajendran, COO & Whole-time Director of the Company for Financial Year 2013-14 2. Approval for Payment of Commission to Non-Executive Directors of the Company for Financial Year 2013-14 3. Approval for Payment of Remuneration to Mr. Rajendra S Pawar, Chairperson & Managing Director of the Company 4. Approval for re-appointment of Mr. Vijay K Thadani as CEO & Whole-time Director of the Company 5. Approval for re-appointment of Mr. P Rajendran as COO & Whole-time Director of the Company.
2012-13	July 01, 2013 10:00 A.M.	Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	No Special Resolution passed in the AGM

Note: No Extra-ordinary General Meeting was held during the last three years.

Postal Ballot

A) The Company had issued Postal Ballot Notice dated February 10, 2016 for obtaining the approval of the members by Special Resolution for the following matter:

- To authorize the Board of Directors to make investments or give loans / guarantees or provide securities in connection with a loan. The result was announced on March 25, 2016. Summary of the Voting Pattern is as under:

Voting	No. of Equity Shares	% of total valid votes
Votes cast in favour of the Resolution	86,915,394	99.94%
Votes cast against the Resolution	54,576	0.06%
TOTAL	86,969,970	100.00%

Procedure followed for Postal Ballot

Postal Ballot process was carried out in accordance with the provisions of Section 110 of the Companies Act, 2013 read with the provisions of the Companies (Management and Administration) Rules, 2014. The Company had appointed Mr. Nityanand Singh, a Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. Postal Ballot Notice along with form were dispatched to the members holding shares as on cut-off date fixed for the purpose, through Registered Post and through e-mail to all the shareholders whose e-mail IDs were registered with the Depository Participants. The members were required to send the duly completed and signed postal ballot form to the scrutinizer on or before the closure of the last date fixed for receipt of the same. Pursuant to the Companies (Management and Administration) Rules, 2014, the Company had provided e-voting facility to its Members to exercise their votes electronically. The Scrutinizer submitted his report to the Chairperson of the Company on the basis of which the results were announced.

- None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

DISCLOSURES

a) Related Party Transactions

The Company's major Related Party Transactions are generally with its subsidiary and associate companies. The Related Party

CORPORATE GOVERNANCE REPORT (Contd.)

Transactions are entered into based on the considerations of various business exigencies and Company's long term strategy. All the transactions entered during the Financial Year 2015-16 with Related Parties were on arms' length basis and the same are reported under Notes to the Financial Statements.

All Related Party Transactions are regularly/periodically ratified and/or approved by the Board/Audit Committee. For details please refer Note No. 36 of the Annual Financial Statements (Standalone) of the Company.

b) Compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to the capital market during the last three years. There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority(ies) relating to the above.

c) Whistle Blower Policy

The Audit Committee approved whistle blower policy in its meeting held on May 20, 2014. The employees and directors may report to the Compliance Officer and have direct access to the Chairperson of the Audit Committee about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

d) Risk Management

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. The Company in its Audit Committee and Board Meeting and at various levels reviews the risk and recommends the risk mitigation mechanism for business of the Company.

e) Proceeds from the public issue/right issue/preferential issues etc.

There was no fresh public issue/right issue/preferential issues etc. during the Financial Year 2015-16.

f) Remuneration of Non- Executive Directors

The Company has defined its criteria of making payment of remuneration to its Non-Executive Directors. The details are stated in the section 'Remuneration Policy' of the Report.

g) Management Discussion and Analysis

There is a separate part on Management Discussion and Analysis in the Annual Report.

h) Inter-se relationship between directors

There is no inter-se relationship between Directors of the Company.

i) Policy for determining 'material' subsidiaries

Policy for determining 'material' subsidiaries is available on Company's website - <http://www.niit.com/authoring/Documents/Other%20Disclosures/Policy%20for%20determining%20Material%20Subsidiaries.pdf>.

j) Policy on dealing with related party transactions

Policy on dealing with related party transactions is available on Company's website - <http://www.niit.com/india/training/investors/Pages/investor-information.aspx>

k) Archival Policy

Archival Policy of the Company is available on Company's website - <http://www.niit.com/authoring/Documents/OtherDisclosures/ArchivalPolicy.pdf>

l) Policy on determination of material/price sensitive information

Policy on determination of material/price sensitive information is available on Company's website - <http://www.niit.com/authoring/Documents/OtherDisclosures/PolicyonMaterialityofEvents.pdf>

COMPLIANCE WITH MANDATORY AND NON MANDATORY REQUIREMENTS OF THE LISTING REGULATIONS

A. Mandatory Requirements

The Company has complied with all the applicable mandatory requirements of the Listing Regulations.

B. Non-mandatory Requirements

The Company has adopted following discretionary requirements of Regulation 27 (1) of the Listing Regulations:

a) The Board :

The Non-executive Chairperson's Office is maintained at Company's expense. He is also entitled for reimbursement of any expenses incurred for performance of his duties.

b) Shareholders Rights :

The quarterly and half-yearly Financial Results are

CORPORATE GOVERNANCE REPORT (Contd.)

published in widely circulated dailies and also displayed on Company's website. The Company sends Financial Statements along with Directors' Report and Auditors' Report to all the Shareholders every year. These are also posted on Company's website i.e. www.niit.com.

c) Modified Opinion(s) in Audit Report :

The Company has a regime of Financial Statements with unmodified audit opinion (for both standalone and consolidated) for the Financial Year ended on March 31, 2016.

d) Separate posts of Chairperson and CEO:

During the year 2015-16, the Company continued to have separate persons in the post of Chairperson and CEO.

e) Reporting of Internal Auditor:

The internal auditor reports to the Audit Committee.

C. Code for prevention of Insider -Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The said Code(s) lay down guidelines for fair disclosure of unpublished price sensitive information and advises the persons covered under the Code(s) on procedures to be followed and disclosures to be made, while dealing with shares of NIIT and cautioning them of the consequences of violations. The Code is available on Company's website - <http://www.niit.com/india/training/investors/pages/corporate-governance.aspx>.

D. Accounting Treatment in preparation of Financial Statements

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention except for assets and liabilities stated at fair values pursuant to Scheme of Arrangement (Refer Note 30) on accrual basis. Pursuant to the section 133 of the Companies Act, 2013, read with the rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the 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, 2013.

All assets and liabilities have been classified as current

or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

E. Statutory Compliance

The Company has a system in place whereby Chief Financial Officer/Compliance Officer provides Compliance Certificate to the Board of Directors based on the confirmations received from business heads/unit heads of the Company relating to compliance of various laws, rules, regulations and guidelines applicable to their areas of operation. The Company takes appropriate steps after consulting internally and if necessary, with independent legal counsels to ensure that the business operations are not in contravention of any laws. The Company takes all measures to register and protect Intellectual Property Rights including tradenames/servicemarks/trademarks/patents/copyrights, etc., belonging to the Company.

DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has set up an Internal Complaints Committee (ICC) for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace, consisting of the following members:

- Ms. Kirti Seth, Kirti.Seth@niit.com, Presiding Officer
- Ms. Rakhi Sharma, Rakhi.Sharma@niit.com, Member
- Ms. Suja Ajith, SujaA@niit.com, Member
- Mr. Ganesh Krishnamurthy, Gani@niit.com, Member
- Mr. Shivan Bhargava, Shivan.Bhargava@niit.com, Member
- Mr. Pankaj Mamtani, Pankaj.Mamtani@niit.com, Member
- Ms. Sadhana Chopra/Ms. Gayatri Prakash, Members (nominated by Sakaar Outreach, NGO)

The ICC has not received any complaint of sexual harassment during the Financial Year 2015 -16.

MEANS OF COMMUNICATION

- a. The quarterly / half yearly / annual results during the year were published in the national English and Hindi Newspapers and displayed on the website of the Company <http://www.niit.com/investorrelations/Pages/InvestorRelations.aspx>. Official news releases, Financial Results,

CORPORATE GOVERNANCE REPORT (Contd.)

Consolidated news releases, Consolidated financial highlights and presentations etc. are also displayed at the Company's website.

- b. During the Financial Year 2015-16, the Company published its Financial Results in the following newspapers:

Financial Results	Newspapers	Date of publication
Audited Financial Results for the quarter/year ended March 31, 2015	Financial Express (English) Jansatta (Hindi)	May 28, 2015 Updated Results published on July 18, 2015
Unaudited Financial Results for the quarter ended June 30, 2015	Financial Express (English) Jansatta (Hindi)	July 18, 2015
Unaudited Financial Results for the quarter ended September 30, 2015	Financial Express (English) Jansatta (Hindi)	October 22, 2015
Unaudited Financial Results for the quarter ended December 31, 2015	Financial Express (English) Jansatta (Hindi)	January 21, 2016

- c. Quarterly Investor's teleconferences and press conferences were held on May 27, 2015, July 17, 2015, October 21, 2015 and January 20, 2016 for the Investors of the Company immediately after the declaration of quarterly/ annual results. In addition, an Annual Investor Meet (for institutional investors) was also organized in Mumbai on May 28, 2015.

All official press releases, presentations to analysts and institutional investors are also available on the Company's website. In addition to uploading the same on the website of the Company, the press releases/ presentations are sent to the Stock Exchange for dissemination.

- d. The management perspective, business review and financial highlights are part of the Annual Report.
e. The quarterly Shareholding Pattern is also displayed on the Company's website.

SHAREHOLDERS' INFORMATION

a. Company Registration Details

The Company is registered in the National Capital Territory of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L74899DL1981PLC015865.

b. Annual General Meeting

Date : Monday, August 01, 2016

Time : 10:00 A.M.

Venue: Mapple Exotica, Khasra No. 123
Chattarpur Mandir Road, Satbari,
New Delhi-110 074

Book Closure Dates: July 23, 2016 to August 01, 2016 (both days inclusive)

- c. **Financial Year : April 1 to March 31**
Financial Calendar (tentative and subject to change):

Financial reporting for the first quarter ending June 30, 2016	By August 14, 2016
Financial reporting for the second quarter ending September 30, 2016	By November 14, 2016
Financial reporting for the third quarter ending December 31, 2016	By February 13, 2017
Financial reporting for the year ending March 31, 2017	By May 30, 2017
Annual General Meeting for the year ending March 31, 2017	By September 30, 2017

d. Listing of Equity Shares

The Equity Shares of the Company are listed at the National Stock Exchange of India Limited (NSE), Mumbai and BSE Limited (BSE), Mumbai. The listing fees for the Financial Year 2016-17 have been paid to the Stock Exchanges.

e. Stock Code

Trading symbol on the NSE	NIITLD
Trading symbol on the BSE (Scrip Code)	NIIT (500304)
ISIN No. of Equity Shares at NSDL/CDSL	INE 161A01038

f. Stock Market Data

The monthly high and low share prices and market capitalization of Equity Shares of the Company traded on BSE and NSE from April 01, 2015 to March 31, 2016 and the comparison of share prices of the Company vis-à-vis the Sensex and Nifty Indices are given below:

Share price movement during the year April 01, 2015 to March 31, 2016

Month	BSE Limited (BSE)				National Stock Exchange (NSE)			
	Sensex	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs. Mn)	Nifty	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs. Mn)
Apr-15	27011	42.45	35.70	5,930	8182	42.50	35.80	5,946
May-15	27828	43.10	35.95	6,409	8434	43.15	35.90	6,433
Jun-15	27781	43.85	36.45	6,805	8369	43.75	36.35	6,822
Jul-15	28115	86.35	41.50	13,470	8533	86.40	41.40	13,461
Aug-15	26283	83.70	67.50	11,868	7971	83.60	67.60	11,876
Sep-15	26155	74.95	64.25	12,132	7949	75.00	64.85	12,140
Oct-15	26657	104.75	73.20	15,488	8066	104.90	73.20	15,488
Nov-15	26146	100.40	84.60	16,352	7935	100.45	84.65	16,377
Dec-15	26118	107.40	88.05	16,394	7946	107.40	88.10	16,385
Jan-16	24871	100.85	72.35	14,152	7564	100.90	72.25	14,152
Feb-16	23002	87.50	67.55	11,626	6987	87.40	67.40	11,635
Mar-16	25342	85.80	70.65	13,033	7738	85.70	70.50	13,066

* Market capitalization at closing price of the month

Source: BSE & NSE websites.

CORPORATE GOVERNANCE REPORT (Contd.)

g. Unclaimed/Unpaid Dividend

All unclaimed/unpaid dividend due for the Financial Year ended up to March 31, 2008 have been transferred to the Investor Education and Protection Fund of the Central Government pursuant to Section 205A of the Companies Act, 1956.

The Shareholders are requested to apply for revalidation/issue of demand drafts for the dividend for the Financial Year ending March 31, 2009 on or before August 26, 2016 after which any unpaid dividend amount for the Financial Year 2008-2009 will be transferred to Investors Education and Protection Fund (IEPF) by the Company and no claim shall lie against the Company or IEPF after the said transfer.

h. Unclaimed Shares

As per SEBI Circular CIR/CFD/DIL/10/2010 dated December 16, 2010 read with Clause 5A of the erstwhile Listing Agreement, the Company has opened Unclaimed Suspense Account i.e. "NIIT Limited - Unclaimed Suspense Account" with Alankit Assignments Limited and the unclaimed shares lying with the Company have been dematerialized and credited to "NIIT Limited - Unclaimed Suspense Account". The details of unclaimed shares of the Company for the year ended March 31, 2016 as per Regulation 39 of Listing Regulations, are as under:

S. No.	Particulars	No. of Shareholders	No. of Shares
i.	Aggregate number of shareholders and the outstanding shares lying in Unclaimed Suspense Account at the beginning of the year	191	130,356
ii.	Number of shareholders who approached for transfer of shares from Unclaimed Suspense Account during the year	1	840
iii.	Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	1	840
iv.	Aggregate number of shareholders and the outstanding shares lying in Unclaimed Suspense Account at the end of the year	190	129,516

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

i. Nomination Facility

The Companies Act, 2013 has provided for a nomination facility to the Shareholders of the Company. The Company is pleased to offer the facility of nomination to Shareholders and Shareholders may avail this facility by sending the duly completed form to the Registered Office of the Company/ Registrar and Transfer Agent of the Company in case the shareholding is in physical form. The shareholders may obtain a copy of the said form from the Registered Office of the Company or can download it from the website of the Company at <http://www.niit.com/india/training/investors/Pages/investor-services.aspx>. In case of demat holdings, the request may be submitted to the Depository Participant.

j. Compliance Certificate

Certificate obtained from the Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated in Para E of Schedule V of the Listing Regulations, is annexed to this Report.

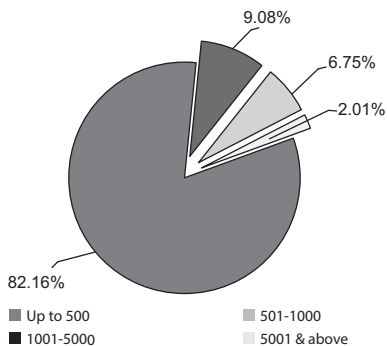
k. Details of last three Annual General Meetings and Book Closure dates:

Annual General Meeting	Date when held	Book Closure (both days inclusive)
32 nd AGM	Tuesday, September 08, 2015	Monday, August 31, 2015 to Tuesday, September 08, 2015
31 st AGM	Monday, July 07, 2014	Saturday, June 28, 2014 to Monday, July 07, 2014
30 th AGM	Monday, July 01, 2013	Saturday, June 22, 2013 to Monday, July 01, 2013

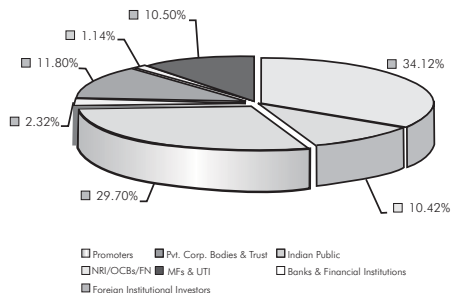
l. Shareholding Distribution as on March 31, 2016

Range (No. of Shares)	No. of Shareholders	% to Total Shareholders	Total No. of Shares	% to Total Shares
Up to 500	64,044	82.16	8,494,967	5.13
501-1000	7082	9.08	5,737,693	3.47
1001-5000	5259	6.75	12,351,037	7.46
5001 & above	1569	2.01	138,917,536	83.94
TOTAL	77,954	100.00	165,501,233	100.00

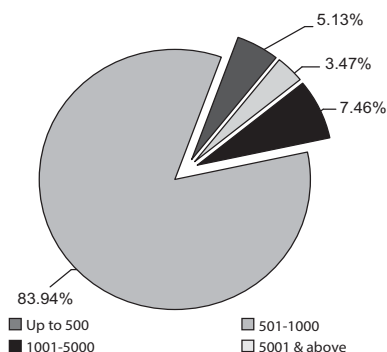
No. of Shareholders



Shareholding Pattern



Total No. of Shares



Shareholding Pattern as on March 31, 2016

Category	No. of Shares held (face value of Rs.2/- each)	% of total shareholding
Promoters' Shareholding		
Indian Promoters	56,473,335	34.12
Foreign Promoters	-	-
Total Promoters' Holding	56,473,335	34.12
Public Shareholding		
Mutual Fund and UTI	19,534,807	11.80
Banks, Financial Institutions & Insurance Companies	1,883,399	1.14
Foreign Portfolio Investors/ Foreign Institutional Investors	17,385,860	10.50
NRI/Foreign Individuals	3,845,072	2.32
Private Corporate Bodies & Trust	17,240,096	10.42
Indian Public	49,138,664	29.70
Total Public Shareholding	109,027,898	65.88
Grand Total	165,501,233	100.00

m. Details of requests/ queries / complaints received and resolved during the Financial Year 2015-16:

Nature	Request/ queries received	Complaints Received	Resolved	Unresolved
	Nos.	Nos.	Nos.	Nos.
Change of address	17	-	17	-
Change of bank details	5	-	5	-
Correction in Dividend Warrants and issuance of Demand Drafts	49	-	49	-
Dividend not received	-	23	23	-
Legal Matters relating to shares	3	-	3	-
Request for Annual Report	67	-	67	-
Request for bonus shares	9	-	9	-
Request for duplicate share certificates	5	-	5	-
Request for nomination registration	4	-	4	-
Request for shareholding details	3	-	3	-
Share certificates lodged for transfer	8	-	8	-
Miscellaneous	4	-	4	-
Total	174	23	197	-

There was no request/query/complaint pending at the beginning of the year. During the Financial Year, the Company attended most of the Shareholders'/Investors' requests/queries/complaints within 10 working days from the date of receipt. The exceptions have been for cases constrained by procedural issue/ disputes or legal impediments etc. There was no request/query/complaint pending at the end of the Financial Year.

n. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

As on date there are no outstanding warrants / bonds /other instruments (except Stock Options granted under NIIT ESOP-2005, the details of which are given in Directors' Report) which are convertible into equity shares.

o. Commodity price risk or foreign exchange risk and hedging activities

During the Financial Year 2015-16, the Company

CORPORATE GOVERNANCE REPORT (Contd.)

had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes Nos. 31 to 34 of the Annual Financial Statements of the Company.

p. Dematerialisation of Shares and Liquidity

The Shares of the Company are compulsorily traded in dematerialised form. The Company has arrangements with both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scripless trading. As on March 31, 2016, 99.45% shares of the Company were held in a dematerialised form.

q. Consolidate multiple folios

Investors are encouraged to consolidate their shareholding held in multiple folios. This would facilitate onestop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

r. Liquidity of Shares

The shares of the Company are traded electronically on the NSE and BSE.

s. Share Transfer System

The Company has appointed a common Registrar for the physical share transfer and dematerialisation of shares. The shares lodged for physical transfer/ transmission/ transposition are registered normally within a period of fortnight, if the documents are complete in all respects. For this purpose, the Share Transfer Committee meets as often as required. During the Financial Year under review, the Committee met 14 times. Adequate care is taken to ensure that no transfers are pending for more than a fortnight. Requests for demat/remat were confirmed mostly within a fortnight. The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

t. Permanent Account Number for transfer of shares in physical form

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares. Accordingly, shareholders are requested to furnish copy of PAN card to the

Company's RTA for registration of transfer of shares in their name.

u. Compliance Officer

Ms. Arpita B Malhotra, Company Secretary is the Compliance Officer of the Company w.e.f. May 10, 2016.

v. Designated exclusive email-ID :

The Company has designated an email-ID "investors@niit.com" exclusively for Shareholders and Investors to correspond with the Company.

w. Registrar for Dematerialisation and Physical Transfer of Shares

The Company has appointed a Registrar for dematerialisation (Electronic Mode) and physical transfer of shares whose detail is given below:-

Alankit Assignments Limited

Unit-NIIT Limited

Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi – 110 055.

Tel Nos. : +91 11 4254 1234, 2354 1234

Fax : +91 11 4254 1967

e-mail : rta@alankit.com

x. Registered Office:

NIIT Limited,

8, Balaji Estate, First Floor, Guru Ravi Das Marg,

Kalkaji, New Delhi - 110 019, India

Tel Nos. : +91 11 4167 5000

Fax : +91 11 4140 7120

e-mail : investors@niit.com

y. Address for Correspondence

The Shareholders may address their communication/ suggestions/ grievances /queries relating to the shares of the Company to:

The Compliance Officer

NIIT Limited

Investors Services

8, Balaji Estate, First Floor, Guru Ravi Das Marg,

Kalkaji, New Delhi - 110 019, India

Tel Nos. : +91 11 4167 5000

Fax : +91 11 4140 7120

e-mail : investors@niit.com

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

The Corporate Governance Report was adopted by the Board of Directors at their meeting held on May 10, 2016 as a part of Board's Report.

CERTIFICATES UNDER CORPORATE GOVERNANCE REPORT

A. Certificate relating to compliance with the Code of Conduct by Board Members and Senior Management Personnel pursuant to Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

This is to certify that as per Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015:

1. The Code of Conduct has been laid down for all the Board Members and Senior Management and other employees of the Company.
2. The Code of Conduct has been posted on the website of the Company.
3. The Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year 2015-16.

Place: New Delhi
Date : May 10, 2016

Rahul Keshav Patwardhan
Chief Executive Officer

B. Certificate by Chief Executive Officer and Chief Financial Officer pursuant to Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To,
 The Board of Directors,
 NIIT Limited
 8, Balaji Estate, First Floor,
 Guru Ravi Das Marg,
 Kalkaji, New Delhi- 110 019

We hereby certify that for the Financial Year 2015-16:

1. We have reviewed the Financial Statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2015-16 which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, if any, of which we are aware, in the design or operation of the internal control systems and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - Significant changes, if any, in internal control over financial reporting during this year;
 - Significant changes, if any, in accounting policies during this year and that the same have been disclosed in the notes to the Financial Statements; and
 - Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi

Rahul Keshav Patwardhan

Rohit Kumar Gupta

Date: May 10, 2016

Chief Executive Officer

Chief Financial Officer

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members of NIIT Limited,

We have examined the compliance of conditions of Corporate Governance by NIIT Limited (“the Company”) for the year ended 31st March, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Nityanand Singh & Co.
Company Secretaries

Nityanand Singh
Proprietor

Place: New Delhi

Date: May 10, 2016

FCS No. 2668 CP No. 2388

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NIIT Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of NIIT Limited("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Note 19;
 - ii) The Company has long-term contracts including derivative contracts as at March 31, 2016 for which there were no material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number. : 301112E
Chartered Accountants

Anupam Dhawan
Partner
Membership No. 084451

Place : New Delhi
Date : May 10, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the Members of NIIT Limited on the Standalone Financial Statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of NIIT Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number. : 301112E
Chartered Accountants

Anupam Dhawan
Partner
Membership No. 084451

Place : New Delhi
Date : May 10, 2016

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the Members of NIIT Limited on the Standalone Financial Statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans, to one of its wholly owned subsidiaries covered in the register maintained under Section 189 of the Act.
 - (a) The repayment terms of unsecured loan granted in the previous years to one of its wholly owned subsidiary as referred to in clause (iii) above has been extended. The outstanding loan aggregating Rs. 29.70 million which was considered doubtful of recovery had been provided for in the books of account in earlier years.
 - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular.
 - (c) In respect of the aforesaid loans, there is no amount overdue for more than 90 days other than the loan of Rs. 29.70 million, considered doubtful of recovery and provided for as referred to in para (iii) (a) above. In our opinion, reasonable steps have been taken by the Company for the recovery of the principal amounts and interest.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax (tax deducted at source), service tax and works contract tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, duty of customs, value added tax, professional tax and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, works contract tax and service tax, as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. In millions)	Period to which the amount relates	Forum where the dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Works contract tax	31.32	2001-2004	Supreme Court of India
Central Sales Tax Act, 1956	Sales Tax	22.35	June 2005 to November 2011	Appellate Deputy Commissioner (A), Hyderabad
Customs Act 1962	Custom Duty	4.80	2012-13 and 2013-14	Directorate of Revenue Intelligence, Jaipur
Income Tax Act, 1961	Income Tax	0.41	2003-04	Income Tax Appellate Tribunal
	Income Tax	3.08	2008-09	Commissioner of Income Tax (Appeals)
	Income Tax	20.39	2009-10	Commissioner of Income Tax (Appeals)
	Income Tax	53.46	2010-11	Commissioner of Income Tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) except term loans which is applied for the purposes for which they are obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number. : 301112E
Chartered Accountants

Anupam Dhawan
Partner

Membership No. 084451

Place : New Delhi
Date : May 10, 2016

BALANCE SHEET as at March 31, 2016

	Note	As At March 31, 2016 (Rs. Million)	As At March 31, 2015 (Rs. Million)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	331.01	330.35
Reserves and Surplus	4	<u>7,786.12</u>	<u>7,785.82</u>
		<u>8,117.13</u>	<u>8,116.17</u>
Non-Current Liabilities			
Long-Term Borrowings	5	1,661.08	1,000.56
Other Long-Term Liabilities	8	39.88	0.34
Long-Term Provisions	9	<u>3.42</u>	<u>3.88</u>
		<u>1,704.38</u>	<u>1,004.78</u>
Current Liabilities			
Short-Term Borrowings	6	85.00	79.99
Trade Payables	7		
-Total outstanding due of micro and small enterprises		0.22	-
-Total outstanding due of creditor other than micro and small enterprises		670.21	593.36
Other Current Liabilities	8	642.44	807.72
Short-Term Provisions	9	<u>111.55</u>	<u>111.27</u>
		<u>1,509.42</u>	<u>1,592.34</u>
TOTAL		<u>11,330.93</u>	<u>10,713.29</u>
ASSETS			
Non-Current Assets			
Fixed Assets	10		
-Tangible Assets		398.03	443.22
-Intangible Assets		253.04	175.17
-Intangible Assets under Development		13.90	35.05
Non-Current Investments	11	7,423.11	7,410.89
Deferred Tax Assets (net)	12	103.78	103.78
Long-Term Loans and Advances	13	1,186.91	746.05
Other Non-Current Assets	16	<u>0.12</u>	<u>0.10</u>
		<u>9,378.89</u>	<u>8,914.26</u>
Current Assets			
Current Investments	11	-	5.95
Inventories	17	44.93	27.19
Trade Receivables	14	1,205.85	1,331.50
Cash and Bank Balances	18	135.39	130.06
Short-Term Loans and Advances	13	487.84	235.49
Other Current Assets	16	<u>78.03</u>	<u>68.84</u>
		<u>1,952.04</u>	<u>1,799.03</u>
TOTAL		<u>11,330.93</u>	<u>10,713.29</u>

The accompanying Notes form 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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

STATEMENT OF PROFIT & LOSS for the year ended March 31, 2016

	Note	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
Income			
Revenue from Operations	21	3,814.49	3,485.44
[Includes prior period revenue Rs. Nil (Previous year Rs. 4.89 Million)]			
Other Income	22	404.17	369.24
Total Revenue		<u>4,218.66</u>	<u>3,854.68</u>
Expenses			
Purchase of Traded Goods		255.47	274.42
(Increase)/ Decrease in Inventory	17	(17.74)	20.11
Employee Benefits Expense	23	1,385.60	1,274.25
Professional & Technical Outsourcing Expenses		671.44	653.02
Finance Costs	26	195.26	129.92
Depreciation and Amortisation Expense	10	282.37	431.30
Other Expenses	27	1,461.50	1,350.69
Total Expenses		<u>4,233.90</u>	<u>4,133.71</u>
Profit/ (Loss) before Exceptional items and Tax		<u>(15.24)</u>	<u>(279.03)</u>
Exceptional items (Net)	29	21.88	(847.60)
Profit/ (Loss) before tax		<u>6.64</u>	<u>(1,126.63)</u>
Tax expense:	12		
-Current Tax		5.96	6.55
-Deferred Tax		-	29.45
-Provision / (Reversal) of Tax relating to earlier years		(0.41)	(1.67)
Profit/ (Loss) for the year		<u>1.09</u>	<u>(1,160.96)</u>
Earnings/ (Loss) per Equity Share (Face Value Rs. 2/- each):	35		
-Basic		0.01	(7.03)
-Diluted		0.01	(7.03)

The accompanying Notes form 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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

CASH FLOW STATEMENT for the year ended March 31, 2016

	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Loss before Exceptional items and Tax	(15.24)	(279.03)
Add/ (Less):		
Depreciation and Amortisation	282.37	431.30
Provision for Doubtful Debts	21.46	26.29
Provision for Unbilled Revenue	2.54	-
Provision for Doubtful Advances	0.66	3.13
Provision for Interest Receivable	-	5.43
Bad Debts Written off	-	4.63
Advances Written off	2.20	-
Provision for Slow/ Non-moving Inventory (Net)	7.70	4.02
Inventory Written/ (Reversal) off	(13.33)	(22.75)
Unrealised Foreign Exchange (Gain)/ Loss	8.30	(17.59)
Finance Cost	195.26	129.92
Interest Income	(31.80)	(14.02)
Dividend Income from Long term investment (Associate)	(137.69)	(130.44)
Loss/(Profit) on sale of Fixed Assets	(3.82)	2.88
Dividend Income from Current Investments	(0.12)	(0.46)
Profit on Sale of Current Investment	(0.57)	-
Provision/ Other Liabilities Written Back	(40.13)	(5.56)
Employee Stock Option Expense	-	0.11
	293.03	416.89
Operating Profit before Working Capital Changes	277.79	137.86
Add/ (Less): Changes in Operating Working Capital:		
Increase/ (Decrease) in Trade Payables	79.65	(111.88)
Increase/ (Decrease) in Short-Term Provisions	0.29	5.46
Increase/ (Decrease) in Long-Term Provisions	(0.46)	(0.28)
Increase/ (Decrease) in Other Current Liabilities	27.50	(79.36)
Increase/ (Decrease) in Other Long-Term Liabilities	39.54	0.15
(Increase)/ Decrease in Current Trade Receivables	114.77	330.86
(Increase)/ Decrease in Non-Current Trade Receivables	4.38	124.09
(Increase)/ Decrease in Inventories	(12.11)	29.61
(Increase)/ Decrease in Short-Term Loans and Advances	0.65	35.31
(Increase)/ Decrease in Long-Term Loans and Advances	36.86	(49.23)
(Increase)/ Decrease in Other Current Assets	(13.77)	8.58
(Increase)/ Decrease in Other Bank Balances	27.33	(10.88)
(Increase)/ Decrease in Other Non-current Assets	(2.57)	8.57
Cash generated from operations	579.85	428.86
Direct Tax- (paid including TDS)/ refund received (net)	(65.75)	(51.20)
Net Cash from Operating activities before exceptional items	514.10	377.66
Exceptional Items	-	(18.12)
Net Cash from Operating activities (A)	514.10	359.54
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including Capital Work-in-progress, internally developed intangibles and Capital Advances)	(733.91)	(189.16)
Proceeds from sale of Fixed Assets	15.55	10.36
Loans given to Subsidiaries	(278.00)	(70.00)
Loan given to Subsidiaries received back	70.00	-
Interest Received	44.95	5.30
Dividend received	137.69	130.44
Purchase of Mutual Funds	(132.50)	(295.00)
Sale of Mutual Funds	139.14	295.46
Investment in Equity Shares of Subsidiaries	(12.22)	(405.00)
Proceeds from buy back of shares by Subsidiary	-	403.36
Net Cash from/ (used) in Investing activities (B)	(749.30)	(114.24)

CASH FLOW STATEMENT for the year ended March 31, 2016

	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Redemption of Non Convertible Debentures	(166.67)	(166.67)
Issue of Shares under ESOP Scheme	16.76	0.04
Term Loan raised during the year in Foreign Currency	600.00	1,000.56
Term Loan repaid during the year in Foreign Currency	-	(650.96)
Proceeds from Short Term Borrowings	750.00	-
Repayment of Short Term Borrowings	(750.00)	-
Proceeds/ (Payments) relating to Cash Credits (Net)	(79.99)	79.99
Interest Paid on Fixed Loan	(186.18)	(145.48)
Dividend Paid	(1.05)	(263.14)
Dividend Tax Paid	(0.01)	(44.90)
Receipt of Inter Corporate Deposits	85.00	-
Net Cash from/ (used) in Financing activities (C)	267.86	(190.56)
Net Increase/(Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	32.66	54.74
Cash and Cash Equivalents as at the beginning of the year (Footnote 1)	76.91	165.29
Cash Outflow (net) under the scheme of arrangement (Footnote 2)	-	(143.12)
Cash and cash Equivalents as at the end of the year (Footnote 1)	109.57	76.91

Notes:

1 Cash and Cash Equivalents

Balance with banks

-Current Accounts [include Rs. (0.14) Million (Previous year Rs.

0.23 Million) effect of exchange differences on balances with banks

in foreign currency]

-Bank deposits with original maturity of 3 months or less

Cheques and Drafts on hand

Cash on hand

Cash and Cash Equivalents as at the end of the year

72.96

-

17.44

19.17

109.57

45.28

7.00

21.70

2.93

76.91

2 The transfer/ Amalgamation of assets and liabilities pursuant to the Scheme of Arrangement (Refer Note 30) in the previous year did not involve any cash flows except cash inflow of Rs. 6.88 Million from Amalgamated Entities and outflow of Rs. 150 Million towards transfer of the School Business Undertaking.

3 Cash flow from operating activities and investing activities are net of adjustment of security deposit with capital advances by an amount of Rs. 213.72 Million.

4 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, as amended] and other relevant provisions of the Companies Act, 2013.

5 Figures in parenthesis indicate cash outgo.

6 Previous year figures have been regrouped/ recast wherever necessary to conform to the current year's classification.

The accompanying Notes form an integral part of these financial statements.

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

For and on behalf of the Board

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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

NOTES to the Financial Statements for the year ended March 31, 2016

1 CORPORATE INFORMATION

NIIT is a talent development company which was set up in 1981. NIIT ('the Company') currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 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 except for assets and liabilities stated at fair values pursuant to Scheme of Arrangement (Refer Note 30) on accrual basis. Pursuant to the section 133 of the Companies Act, 2013, read with the rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the 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, 2013 and/ or 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. 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 and non-current classification of assets and liabilities.

2.2 The Board of Directors had approved a Composite Scheme of Arrangement ('the Scheme') between the Company and its erstwhile wholly-owned subsidiaries Scantech Evaluation Services Limited ('SESL'), Evolv Services Limited ('ESL'), NIIT Online Learning Limited ('NOLL') (also, collectively referred to as 'the amalgamating companies') and Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) and their respective shareholders and creditors under sections 391 to 394 of the Companies Act, 1956. The Scheme was approved by the shareholders and the Hon'ble High Court of Judicature at Delhi ('the Hon'ble High Court') on January 31, 2015 and May 8, 2015 respectively. The Scheme was filed with the Registrar of Companies on May 23, 2015 and became effective on the said date. The amalgamation date for the scheme was April 1, 2014.

The Company accounted for the Scheme by applying the purchase method of accounting whereby the assets and liabilities of the amalgamating companies were recognized at fair values in accordance with the applicable accounting standards and generally accepted accounting principles in India. The Company also received the opinion from the Expert Advisory Committee of the Institute of Chartered Accountants of India ('EAC'), wherein the EAC opined that application of purchase method of accounting would be in compliance with AS 14 and generally accepted accounting principles in India. The particulars with respect to accounting for the Scheme of Arrangement are detailed in Note 30.

2.3 Other significant accounting policies adopted by the Company are detailed below:

i) Tangible Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except where they are taken over pursuant to an acquisition at a consolidated price. Individual fixed assets taken over pursuant to an acquisition are recorded at their fair value on the date of acquisition based on valuation carried out by independent valuers.

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 useful lives of the assets based on the technical evaluation by the Company which in some cases are higher than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets.

Description of Assets	Useful Life
Buildings	58 years
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipment	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 years
Assets acquired under lease (Included under Plant & Equipment and Furniture & Fixtures)	Lease Period or useful life, whichever is shorter
All other assets (including vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

Fixed Assets purchased for utilisation in implementing certain contractual obligations with the customers under a project are depreciated over the period of the contract or useful life assessed as above, whichever is shorter.

ii) Intangible Fixed Assets and Amortisation

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". 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.

Amortisation is provided on a pro-rata basis on the straight-line method over the estimated useful lives as follows:

Description of Assets	Useful Life
a) Contents and Products #	3-5 Years
b) Software #	
c) Patents	

#Contents, products and software are technically evaluated for their useful economic life each year for any impairment triggers as per Accounting Standard 28, "Impairment of Assets ". The unamortised amount of the asset is charged to Statement of Profit and Loss as amortisation over their revised remaining useful life.

iii) Impairment of Assets

All assets other than inventories, investments 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) Investments

Long-term investments are carried at their acquisition cost except those acquired at fair values pursuant to Scheme of Arrangement (Refer Note 30). Any decline in the value of the said investment, other than a temporary decline, is recognised and charged to Statement of Profit and Loss. Short-term investments are carried at cost (except those acquired pursuant to the Scheme at fair values) or market value, whichever is lower.

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

Revenue in respect of sale of courseware including technical information and reference material and other goods is recognised when the significant risk and rewards of ownership in it are transferred to the buyer as per the terms of the contracts which coincides with dispatch / delivery of the material to the customer as per trade practice and agreed terms whereas the revenue from the tuition activity/ training is recognised over the period of the course programs as the case may be. Revenue is recognised net of trade discounts, value added tax and service tax as the case may be.

Revenue from time and material contracts is recognised on a man month basis. In respect of fixed price contracts, revenue is recognised based on proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of the services and are recognised net of service tax. The foreseeable losses on completion of contract, if any, are provided for.

vii) Other Income

a) Dividend income is recognised when the right to receive dividend is established.

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

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 projected unit credit method) at the end of the year and any shortfall/ surplus in the fund size maintained by the Trust set up by the Company with Life Insurance Corporation of India (LIC) is charged/ credited to the Statement of Profit and Loss.

Compensated Absences

Liability in respect of compensated absences is provided both for encashable leave and those expected to be availed. The Company's liability 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.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

Superannuation

The Company makes defined contribution to the Trust established for the purpose by the Company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contributions made during the year is charged to Statement of Profit and Loss.

Provident Fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST", which is a defined benefit plan to the extent that 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 (using projected unit credit method) 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. The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Pension Fund

The Company makes defined contribution to a government administered pension fund towards its pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions and the contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

National Pension System

The Company makes defined contribution towards National Pension System for certain employees for which company has no further obligation. The Company's contribution towards Employee Pension System is charged to Statement of Profit and Loss.

ix) Employees Stock Option Plan (ESOP)

Equity settled stock options granted under "NIIT Employee Stock Option Plan 2005", whereby the intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to general reserve equal to the amortised portion of value of lapsed options and credit to deferred employee compensation expense equal to the un-amortised portion of lapsed options. The balance in employee stock option outstanding account, net of any un-amortised deferred employee compensation, is shown separately as part of reserves and surplus.

x) Foreign Currency Transactions

Transactions in foreign currency are booked at rates determined periodically which approximate the actual rates, and all monetary assets and liabilities in foreign currency are restated at the end of accounting period. Gain/ Loss arising out of fluctuations on realisation/ payment or restatement is charged/ credited to the Statement of Profit and Loss.

Foreign currency assets/ liabilities covered by forward contracts are stated at the forward contract rate and difference between the forward rate and the exchange rate at the inception of the forward contract are recognised to the Statement of Profit and Loss over the life of the contract, except to the extent on which accounting policy on derivative instruments and hedge accounting as detailed in (xi) below.

xi) Derivative Instruments and Hedge Accounting

In accordance with its Risk management policies and procedures, the Company uses derivative instruments to hedge its risks associated with foreign currency fluctuations. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value & are remeasured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss is recognised directly in Reserves and Surplus under hedging reserve to the extent considered highly effective. Gain or loss on derivative instruments that either does not qualify for hedge accounting or not designated as cash flow hedges or designated cash flow hedges to the extent considered ineffective are recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognised in Reserves and Surplus under hedging reserve is retained there until the transaction occurs subsequent to which the same is adjusted against the related transaction in the Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Reserves and Surplus is transferred to Statement of Profit and Loss in the same period.

xii) Leases

Lease rental in respect of operating lease arrangements are charged to expense in the Statement of Profit and Loss on a straight line basis as per the terms of the related agreement. Finance lease transactions are considered as financing arrangements in accordance with Accounting Standard 19 and the leased asset is capitalised at an amount equal to the present value of future lease payments and a corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to the leased asset.

xiii) 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 its intended use, in which case, it is capitalised.

xiv) 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 taxation laws prevailing in the respective jurisdiction. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognised as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that the Company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilised in the year when normal income tax is higher than the Minimum Alternate Tax (MAT). Deferred Tax Asset (DTA) is recognised for all timing differences, subject to consideration of prudence in respect of DTA. DTA is recognised and carried forward only to the extent that there is reasonable certainty of realisation of such timing differences.

In situations, where the Company has unabsorbed depreciation or carry forward losses under the tax laws, all deferred tax assets are recognised to the extent there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

xv) 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. Disclosure of show cause notices are made on merits of the matters where management foresees possibilities of outflow of resources.

xvi) 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.

xvii) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



Awards

 & HIGHLIGHTS

NIIT has been featured as 'India's Most Trusted Education Brand, 2016' by Brand Trust Report for the fourth consecutive year.



NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Training Outsourcing – for the ninth consecutive year.



NIIT USA has been ranked #22 Gold LearningElite member in the CLO LearningElite 2016 list, Chief Learning Officer magazine's prestigious program that honours the best organisations for learning and development.



NIIT.tv - a disruptive innovation by NIIT Limited has been awarded the 'Best online education platform' at the Indian Education Awards 2016 organised by Franchise India, India's leading Franchising publication.

NIIT USA has been ranked among TrainingIndustry.com's 2015 Top 20 Companies in Gamification – for the second consecutive year.

NIIT USA received 8 'Brandon Hall Group Excellence Award 2015' jointly with Shell, GE, MetLife, Zurich North America and Westfield Insurance.



NIIT has been featured as the 'Most Respected Education Company, 2016' by Business World.



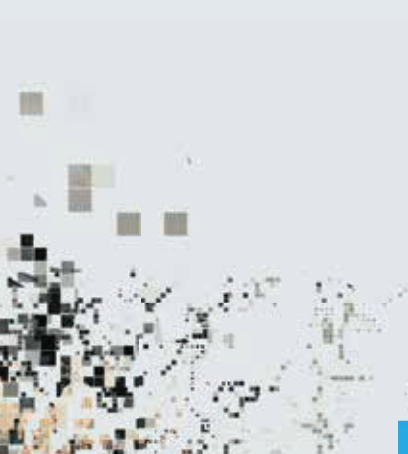
NIIT has been awarded the 'Best Innovation Brand' in the Education sector at the ASSOCHAM National Brand Summit & Excellence Awards 2016.



NIIT USA has been ranked among TrainingIndustry.com's 2016 Top 20 Companies in Content Development – for the sixth consecutive year.

NIIT

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(Rs. Million)

	As At March 31, 2016	As At March 31, 2015
3 SHARE CAPITAL		
Authorised		
393,000,000 Equity Shares of Rs. 2/- each (Previous year 250,000,000 Equity Shares of Rs. 2/- each)	786.00	500.00
13,600,000 Equity Shares of Rs. 10/- each	-	136.00
150,000,000 Equity Shares of Re. 1/- each	-	150.00
2,500,000 Redeemable Preference Shares of Rs.100/- each (Previous year 2,500,000 Redeemable Preference Shares of Rs.100/- each)	250.00	250.00
350,000,000, 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each (Previous year 350,000,000, 8.5% Cumulative Redeemable Preference Shares of Re. 1/- each *)	350.00	350.00
*Pursuant to the Scheme of Amalgamation (Refer Note 30)		
	<u>1,386.00</u>	<u>1,386.00</u>
Issued		
165,507,233 Equity Shares of Rs. 2/- each (Previous year - 165,176,597 Equity Shares of Rs. 2/- each)	331.01	330.35
	<u>331.01</u>	<u>330.35</u>
Subscribed and Paid up		
165,501,233 Equity Shares of Rs. 2/- each (Previous year-165,170,597 Equity Shares of Rs. 2/- each)	331.00	330.34
Add: Forfeited Shares (amount originally paid-up)	0.01	0.01
	<u>331.01</u>	<u>330.35</u>

3.1 Reconciliation of the number of shares outstanding

Equity Shares	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Shares outstanding at the beginning of the year	165,170,597	330.34	165,145,597	330.29
Shares issued during the year	330,636	0.66	25,000	0.05
Shares outstanding at the end of the year	165,501,233	331.00	165,170,597	330.34

3.2 Rights, preferences and restrictions attached to shares:-

Equity Shares: The Company has issued one class of equity shares having a par value of Rs.2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3 Shares held by each shareholder holding more than 5% shares in the Company

	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	% of holding	No. of shares	% of holding
Pace Industries Private Limited	25,366,521	15.33%	23,503,913	14.23%
Global Solutions Private Limited	25,915,838	15.66%	22,527,346	13.64%
Total	51,282,359	30.99%	46,031,259	27.87%

3.4 Shares reserved for issue under Employee Stock Option Plan (ESOP)

Equity shares (For details Refer Note 25)	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	Rs. Million	No. of shares	Rs. Million
	6,086,256	12.17	3,717,081	7.43
	6,086,256	12.17	3,717,081	7.43

(Rs. Million)

4 RESERVES AND SURPLUS	As at			
	March 31, 2016		March 31, 2015	
Securities Premium Reserve				
Opening balance	520.92		519.85	
Add: Transferred from Employee Stock Option account on ESOP exercised	16.10	537.02	1.07	520.92
Debenture Redemption Reserve				
Opening balance	41.67		77.38	
Less: Amount transferred to General Reserve	(41.67)		(41.67)	
Add: Amount transferred from / (to) Surplus in Statement of Profit and Loss	-	-	5.96	41.67
Employees Stock Option Outstanding				
ESOP Outstanding	-		2.16	
Less: Transferred to Securities Premium Reserve on ESOP exercised	-		(1.07)	
Less: Transferred to General Reserve on ESOP lapsed	-		(1.08)	
Less: Deferred Compensation Expense	-	-	(0.01)	-
Hedging Reserve Account (Debit balance) [Refer Note 41]				
Opening balance	(45.95)		(2.99)	
Add: Impact on account of restatement of Loan	(60.51)		69.75	
Add: Impact on account of restatement of Interest on Loan	3.28		1.01	
Add: Movement in Derivative Instrument Fair Value Asset/ (Liability)	40.34	(62.84)	(113.72)	(45.95)
Capital Reserve (on Amalgamation) [Refer Note 30]		5,172.28		5,172.28
General Reserve				
Opening balance	1,013.47		970.72	
Add: Amount transferred from Employee Stock Option Outstanding	-		1.08	
Add: Amount transferred from Debenture Redemption Reserve	41.67	1,055.14	41.67	1,013.47
Surplus in Statement of Profit and Loss				
Balance Brought Forward from Previous year	1,083.43		2,298.42	
Add : Profit/ (Loss) for the year	1.09		(1,160.96)	
Less: Appropriations				
Transitional impact consequent to change in useful lives of tangible fixed assets [Refer Note 10.1 (v)]	-		(48.07)	
Amount transferred to/ (from) Debenture Redemption Reserve	-	1,084.52	(5.96)	1,083.43
Total		7,786.12		7,785.82

(Rs. Million)

5 LONG-TERM BORROWINGS	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non-Current Portion		Current Maturities	
A) SECURED				
i) Non Convertible Debentures (NCDs)	-	-	-	166.67
ii) Term Loans from Banks:				
- Foreign Currency Term Loan	1,661.08	1,000.56	-	-
Sub Total (A)	1,661.08	1,000.56	-	166.67
Amount disclosed under the head "Other Current Liabilities" (Refer Note 8) (B)	-	-	-	(166.67)
Total (A+B)	1,661.08	1,000.56	-	-

5.1 Details of Security given against loans

- i) The Company has availed foreign currency loan for Rs. 600 Million equivalent of USD 9.05 Million which is fully hedged by converting it from the floating rate into fixed rate Rupee loan through a Currency Swap at a Spot reference (USD INR) exchange rate of USD 1 = INR 66.30, through full maturity of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future, capital advances paid for info-city building at Sector-34, Gurgaon and first exclusive charge on certain Immovable properties of the Company. The necessary formalities to create the security are under process as at the year end. The rate of interest on fully hedged equivalent amount is fixed at 10.25% p.a. for the tenure of the loan.
- ii) The Company has availed foreign currency loan for Rs. 1000 Million equivalent of USD 16.05 Million, which is fully hedged by converting it from the floating rate in libor with spread of 175 bps into fixed rate Rupee loan through a Currency Swap at a Spot reference (USD INR) exchange rate of USD 1 = INR 62.30, through full maturity of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future, land and building of the Company at Sector-32, Gurgaon and capital advances paid for info-city building at Sector-34, Gurgaon. The necessary formalities to create the security has been completed, as per the terms of agreement. The rate of interest on fully hedged equivalent amount is fixed at 10.25% p.a. for the tenure of the loan.
- iii) The Company has repaid NCDs during the year and the charge has been vacated.

5.2 Terms of Repayment

- i) Foreign Currency Term Loan for USD 9.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
July 20, 2020	1.50	99.83
April 20, 2020	1.51	99.81
January 20, 2020	1.51	99.81
July 20, 2019	1.51	99.81
January 20, 2019	1.51	99.81
July 20, 2018	1.51	99.81
	9.05	598.88

- ii) Foreign Currency Term Loan for USD 16.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
June 5, 2019	3.21	212.44
April 5, 2019	3.21	212.44
October 5, 2018	3.21	212.44
April 5, 2018	3.21	212.44
October 5, 2017	3.21	212.44
	16.05	1,062.20

* Rupee equivalent as at the year end

(Rs. Million)

6 SHORT-TERM BORROWINGS (Refer Notes below)	As at	
	March 31, 2016	March 31, 2015
SECURED		
Cash Credit from Banks	-	79.99
Sub Total (A)	-	79.99
UNSECURED		
Inter Corporate Deposits from Subsidiary	85.00	-
Sub Total (B)	85.00	-
Total (A+B)	85.00	79.99

Notes:

- (i) Details of Security given against working capital limits:
Cash Credit Limits of the Company outstanding at last year and sub limits of certain subsidiaries are secured by hypothecation of stocks and book debts of the Company and Mindchampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall-Education Limited).
- (ii) During the year, the Company has taken loan of Rs. 85 Million (Previous year Rs. Nil) from its subsidiary company, NIIT Institute of Process Excellence Limited at an interest rate of 10.50% p.a. which is repayable on July 21, 2016, along with interest.

(Rs. Million)

7 TRADE PAYABLES	As at	
	March 31, 2016	March 31, 2015
	Current	
- Due to Micro, Small and Medium Enterprises (Refer Note 7.1 below)	0.22	-
- Due to Others	670.21	593.36
	670.43	593.36

7.1 Parties covered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified on the basis of information available with the Company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

(Rs. Million)

Particulars	As at	
	March 31, 2016	March 31, 2015
a) The principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	0.19	-
ii) Interest thereon	0.03	-
b) The amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	-	-
ii) Interest thereon	-	-
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 accounting year	0.03	-
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	-	-

(Rs. Million)

8 OTHER LIABILITIES	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-Term		Current	
Current Maturities of Long-Term Borrowings (Refer Note 5)	-	-	-	166.67
Interest Accrued but not due on Borrowings	-	-	10.56	4.75
Unpaid Dividend*	-	-	9.49	10.54
Security Deposits Payable	15.10	0.34	152.77	-
Payable to Subsidiaries	-	-	96.42	71.47
Deferred Revenue	-	-	13.33	20.31
Advances from Customers	-	-	61.83	270.70
Statutory Dues	-	-	73.06	52.58
Derivative Instrument Fair Value Liability (net) (Refer Note 41)	-	-	7.09	47.43
Other Payables**	24.78	-	217.89	163.27
	39.88	0.34	642.44	807.72

* There are no amounts due for payment to the Investor Protection Fund as at the year end.

** includes capital creditors and payable to employees.

9 PROVISIONS	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-Term		Short-Term	
Provision for Employee Benefits (Refer Note 24)				
-Provision for Gratuity	-	-	25.89	19.66
-Provision for Compensated Absences	3.42	3.88	41.09	47.03
Others:				
-Provision for Corporate Dividend Tax	-	-	-	0.01
-Provision for indirect tax under litigation*	-	-	44.57	44.57
	3.42	3.88	111.55	111.27

*An amount of Rs. 22.22 Million which has been deposited, against the demand which has been disclosed under Note 13 Advances recoverable in cash or kind.

10. FIXED ASSETS

(Rs. Million)

Description of Assets	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK As on 31.03.2016
	Cost as on 01.04.2015	Additions during the year	Sales / Adj. during the year	As on 01.04.2015	For the year	Total as on 31.03.2016	
Tangible							
Land-Freehold {Footnote (ii)}	20.92	-	-	-	-	-	20.92
Buildings {Footnotes (i) & (iii)}	209.90	-	-	44.26	3.68	47.94	161.96
Plant & Equipment							
-Owned	800.62	79.14	44.16	677.63	67.02	701.34	134.26
-Leased	3.90	-	0.15	3.83	0.06	3.75	-
Leasehold Improvements	367.35	40.97	39.67	292.23	67.20	320.71	47.94
Furniture & Fixtures							
-Owned	101.88	8.55	16.14	80.44	11.30	76.66	17.63
-Leased	0.11	-	0.03	0.11	-	0.08	-
Vehicles	30.14	-	14.13	12.48	1.81	8.98	7.03
Office Equipment							
-Owned	85.70	1.40	7.03	66.32	12.45	71.78	8.29
-Leased	0.03	-	-	0.03	-	0.03	-
Sub Total (a)	1,620.55	130.06	121.31	1,177.33	163.52	1,231.27	398.03
Intangible							
Content/ Products							
- Acquired	97.35	-	-	97.27	0.07	97.34	0.01
- Internally generated {Footnote (iv) & Refer Note 37}	794.29	99.86	-	671.50	64.94	736.44	157.71
- Leased	19.30	-	-	19.30	-	19.30	-
Software Acquired	941.96	96.86	0.25	889.66	53.84	943.25	95.32
Patents	14.14	-	-	14.14	-	14.14	-
Sub Total (b)	1,867.04	196.72	0.25	1,691.87	118.85	1,810.47	253.04
Total (a+b)	3,487.59	326.78	121.56	2,869.20	282.37	3,041.74	651.07
Intangible assets under development {Refer Note 37 for cost incurred during the year on internally generated intangible assets}							
							13.90

Footnotes :

- (i) Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vidya Co-operative Housing Society Limited.
- (ii) Out of the total land as above, 25 acres of land amounting to Rs. 6.52 Million at Tehsil Behror, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.
- (iii) Refer Note 40 (a) (iii) for Building given on Operating Lease.
- (iv) The Company has computed the recoverable value using value in use method and has considered a discount rate of 14% p.a.

NOTES to the Financial Statements for the year ended March 31, 2016

Contd..

Description of Assets	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK As on 31.03.2015
	Cost as on 01.04.2014	Additions during the year	Addition on amalgamation or under taking [Refer Note 30]	Deletion on transfer of undertaking [Refer Note 30]	As on 01.04.2014	For the year [Refer Note 30]	
Tangible							
Land-Freehold (Footnote (ii))	20.92	-	-	-	-	-	20.92
Buildings (Footnotes (i) & (iii))	209.90	-	-	40.81	3.45	-	165.64
Plant & Equipment	1,468.50	35.54	0.07	488.53	90.34	272.72	122.99
-Owned	3.99	-	-	-	3.85	-	0.07
-Leased	-	-	-	-	0.09	-	-
Leasehold Improvements	419.25	24.58	-	15.52	288.84	14.45	75.12
Furniture & Fixtures	207.02	2.84	-	83.19	141.51	44.08	21.44
-Owned	0.11	-	-	-	0.11	-	-
-Leased	-	-	-	-	-	-	-
Vehicles	29.77	4.14	-	-	10.73	-	17.66
Office Equipment	144.00	1.85	0.10	54.90	75.26	21.33	19.38
-Owned	0.04	-	-	-	0.04	-	-
-Leased	-	-	-	-	-	-	-
Total	2,503.50	68.95	0.17	642.14	1,630.48	352.58	443.22
*Amount transferred to Retained Earnings (Footnote (v) below) *	-	-	-	-	-	-	-
Sub Total (a)	2,503.50	68.95	0.17	642.14	1,630.48	352.58	443.22
Intangible							
Content/ Products	186.64	-	-	89.29	165.21	69.08	0.08
- Acquired	1,013.65	73.79	5.50	298.65	579.94	114.07	122.79
- Internally generated (Footnote (iv) and Refer Note 37)	-	-	-	-	205.63	-	-
- Leased	119.65	-	-	100.35	105.01	88.60	19.30
Software Acquired	1,034.33	7.55	-	90.88	887.32	61.80	889.66
Patents	16.14	-	-	2.00	15.73	2.00	14.14
Sub Total (b)	2,370.41	81.34	5.50	581.17	1,753.21	335.55	175.17
Total (a+b)	4,873.91	150.29	5.67	1,223.31	3,383.69	688.13	618.39

Intangible assets under development (Refer Note 37 for cost incurred during the year on internally generated intangible assets)

35.05

Footnotes:

- (i) Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vidyya Co-operative Housing Society Limited.
- (ii) Out of the total land as above, 25 acres of land amounting to Rs. 6.52 Million at Tehsil Benor, District Alwar is allotted for educational purpose. This land cannot be transferred without the approval of the allotment authority.
- (iii) Refer Note 40 (a) (iii) for Building given on Operating Lease.
- (iv) Depreciation includes impairment of contents/ products aggregating to Rs. 114.79 Million. The Company has computed the recoverable value using the value in use method and has considered a discount rate of 13.50% p.a.
- (v) The Company has revised useful life of certain class of fixed assets as per the requirement of Schedule II of the Companies Act, 2013 and also revised residual value of fixed assets. As a result, the depreciation charge for the current year is higher by Rs. 10.72 Million and opening retained earnings have reduced by Rs. 48.07 Million.

(Rs. Million)

11 INVESTMENTS

I) Non-Current Investment

A. TRADE [UNQUOTED]

(Valued at cost less provision for diminution other than temporary)
In Subsidiary Companies
-Equity

10,662,113 (Previous year 10,662,113) Shares of 1 US \$ each fully paid-up in NIIT (USA) Inc., USA

As at

	March 31, 2016	March 31, 2015
--	----------------	----------------

	478.15	478.15
	478.15	478.15

500,000 (Previous year 500,000) Equity Shares of 1 US \$ or Rp. 2,297 each fully paid-up in PT NIIT Indonesia, Indonesia
Less: Provision for diminution in the value of investment

	17.56	17.56
	(17.56)	(17.56)
	-	-

35,056,000 (Previous year 35,056,000) Equity Shares of 1 US \$ each fully paid-up in NIIT Antilles NV, Netherlands Antilles
Less: Provision for diminution in value of Investment [Refer Note 29(vi)]

	1,628.69	1,628.69
	(1,628.69)	(1,628.69)
	-	-

13,000,000 (Previous year 13,000,000) Equity Shares of 0.5 US \$ each fully paid-up in NIIT Antilles NV, Netherlands Antilles

	404.56	404.56
--	--------	--------

150,000 (Previous year Nil) Equity Shares of 1 Euro each fully paid-up in NIIT Ireland Limited

	10.78	-
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1,000,000 (Previous year 1,000,000) Equity Shares of Rs 10/- each fully paid-up in Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall-Education Limited)

	10.50	10.50
	(10.50)	(10.50)
	-	-

Less: Provision for diminution in value of Investment

18,064,065 (Previous year Share Capital Pending Allotment) Equity shares of Rs. 10/- each fully paid-up in Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall-Education Limited) {Foot note (ii)}
Less: Provision for diminution in value of Investment

	180.64	180.64
	(180.64)	(180.64)
	-	-

155,000 (Previous year 155,000) Equity Shares of 1 GBP each fully paid-up in NIIT Limited-UK

	13.10	13.10
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8,157,500 (Previous year 8,120,834) Equity Shares of Rs. 10 each fully paid-up in NIIT Institute of Finance Banking and Insurance Training Limited

	85.79	84.35
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16,500,000 (Previous year 16,500,000) Equity Shares of Rs. 10 each fully paid-up in NIIT Institute of Process Excellence Limited

	165.00	165.00
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20,819,155 (Previous year 20,819,155) Equity Shares of Rs. 10/- each fully paid-up in NIIT Yuva Jyoti Limited [Footnote (i)]

	208.19	208.19
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- Debentures

900,000 (Previous year 900,000) 0.5% Optionally Convertible Debentures Pending Allotment) 0.5% Optionally Convertible Debentures of Rs. 1000/- each fully paid up in Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall-Education Limited) {Foot note (ii)}

	900.00	900.00
--	--------	--------

Less: Provision for diminution in value of Investment

	(29.36)	(29.36)
	870.64	870.64

TRADE [QUOTED]

[Valued at fair value as on appointed date] (Refer Note 30)

In Associate Company

-Equity

14,493,480 (Previous year 14,493,480) Equity Shares of Rs. 10/- each fully paid-up in NIIT Technologies Limited. 5,186.90 5,186.90

[Market Value as on March 31, 2016 Rs. 7,198.91 Million (Previous year Rs. 5,062.57 Million)]

Sub Total (A) 7,423.11 7,410.89

B. LONG TERM, OTHERS [UNQUOTED]

(Valued at cost less provision for other than temporary diminution)

In Other Companies

240 Equity Shares of Rs.10/- each fully paid-up in Hinduja HCL Singtel Communication Private Limited - -

Less: Provision for diminution in the value of Investment - -

[Investment of Rs. 2,400/- (Previous year Rs. 2,400/-)] fully provided for

Sub Total (B) - -

TOTAL (A+B) 7,423.11 7,410.89

Aggregate amount of Unquoted Investments	4,102.96	4,090.74
Less:- Aggregate Provision for diminution in the value of Investments	(1,866.75)	(1,866.75)
Total Unquoted Investments (C)	2,236.21	2,223.99
Aggregate amount of Quoted Investments	5,186.90	5,186.90
Total Quoted Investments (D)	5,186.90	5,186.90
GRAND TOTAL (C+D)	7,423.11	7,410.89

Notes:

- (i) The Company is required to hold a minimum of 51% of the total paid-up Equity Share Capital of NIIT Yuva Jyoti Limited (NYJL), during the term of the agreement with National Skill Development Corporation (NSDC).
- (ii) Pursuant to the Scheme of Arrangement, the Company had transferred its School Business Undertaking to one of its wholly owned subsidiary company i.e. Mindchampion Learning Systems Limited ('MLSL') (Formerly known as Hole-in-the-Wall Education Limited) for a consideration of Rs. 1,080.64 Million. This consideration has been discharged by MLSL as follows [Refer Note 30].

(a) 18,064,065 Equity shares of Rs. 10/- each amounting to Rs. 180.64 Million.

(b) 900,000 Optionally Convertible Debentures of Rs. 1000/- each at a coupon rate of 0.5% amounting to Rs. 900 Million.

Such shares and debentures which were pending for allotment last year has been allotted in current year.

Further 5.6 Million Non Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up (at a cost of Rs. 100/-) in Mindchampion Learning Systems Limited ('MLSL') (Formerly known as Hole-in-the-Wall Education Limited) had been cancelled.

(Rs. Million)

II) Current Investment

SHORT TERM, NON TRADE [UNQUOTED]

In Mutual Funds

(Fair Market Value Rs 6.43 Million as on March 31, 2015)

Total

	As at	
	March 31, 2016	March 31, 2015
	-	5.95
Total	-	5.95

12 TAXATION

(a) The Company has filed revised Return of Income for Financial Year ended March 31, 2014, and an amount of Rs. 0.47 Million has been credited to the Statement of Profit and Loss on account of change in tax liability. Further there is reversal of MAT Credit amounting to Rs. 0.06 Million Net impact of these changes amounting to Rs. 0.41 Million has been credited to the Statement of Profit and Loss account during the year.

(b) Detailed break-up of Deferred Tax Assets/ Liabilities is as follows:-

	(Rs. Million)	
	As at	As at
	March 31, 2016	March 31, 2015
Deferred Tax Assets:		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation. [Footnote (iii) below]	115.85	166.12
Provision for doubtful debts and advances	264.20	276.45
Provision for non-moving inventories	1.89	3.77
Provision for Employee Benefits	34.10	30.80
Others	-	0.34
Total (A)	416.04	477.48
Deferred Tax Liability:		
Timing differences not recognised on account of prudence (B)	312.26	344.25
Total C=(A-B)	103.78	133.23
Deferred Tax Assets Charged to the Statement of Profit & Loss (D)	-	29.45
Net Deferred Tax Assets carried to Balance Sheet E=(C-D)	103.78	103.78

- (i) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- (ii) Deferred Tax Asset on long-term capital loss has not been recognised in the absence of virtual certainty of availability of long term capital gains.
- (iii) Timing difference aggregating Rs. Nil (Previous year Rs. 29.45 Million) transferred to School Business Undertaking on account of Scheme of Arrangement [Refer Note 30].

(Rs. Million)

13 LOANS AND ADVANCES	As at			
	March 31, 2016 Long-Term	March 31, 2015	March 31, 2016 Short-Term	March 31, 2015
i) Capital Advances				
Unsecured, considered good	669.39	5.59	-	-
(A)	669.39	5.59	-	-
ii) Security Deposits Receivable				
Unsecured, considered good	57.66	294.33	42.50	40.74
Unsecured, considered doubtful	5.05	5.05	-	-
Less: Provision for doubtful security deposits	(5.05)	(5.05)	-	-
(B)	57.66	294.33	42.50	40.74
iii) Loans to related parties				
Unsecured, considered good	-	45.00	278.00	25.00
Unsecured, considered doubtful	29.70	29.70	-	-
Less: Provision for doubtful Loans	(29.70)	(29.70)	-	-
(C)	-	45.00	278.00	25.00
iv) Other recoverable from related parties				
Unsecured, considered good	-	-	-	-
Unsecured, considered doubtful	-	15.29	-	-
Less: Provision for doubtful advances	-	(15.29)	-	-
(D)	-	-	-	-
v) Advances recoverable in cash or in kind				
Unsecured, considered good (Refer Note 13.1 and 13.2 below)	0.33	1.81	167.34	169.75
Unsecured, considered doubtful	11.78	11.80	-	-
Less: Provision for doubtful advances	(11.78)	(11.80)	-	-
(E)	0.33	1.81	167.34	169.75
vi) Other Advances				
a) Advance payment of Fringe Benefit Tax	89.57	89.57	-	-
Less: Provision for Fringe Benefit Tax	(88.66)	(88.66)	-	-
	0.91	0.91	-	-
b) Advance Income Tax	1,246.12	1,183.63	-	-
Less: Provision for Income Tax	(871.63)	(853.82)	-	-
	374.49	329.81	-	-
c) MAT Credit Entitlement				
Opening Balance	68.60	65.43	-	-
Addition during the year	15.59	-	-	-
Addition on account of Scheme of Arrangement [Refer Note 30]	-	4.42	-	-
Utilised/ Reversed during the year	(0.06)	(1.25)	-	-
	84.13	68.60	-	-
(F)	459.53	399.32	-	-
Total (A+B+C+D+E+F)	1,186.91	746.05	487.84	235.49

13.1 Maximum amount due from Directors or Other officers during the year Rs. 0.26 Million (Previous year Rs. 0.63 Million). Amount outstanding at year end Rs. Nil (Previous year Rs. Nil).

13.2 Short-term Loans and advances include balances with government authorities Rs. 64.50 Million (Previous year Rs. 81.34 Million).

		(Rs. Million)			
		As at			
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		Non Current		Current	
14	TRADE RECEIVABLES				
	(Unsecured)				
a)	Outstanding for a period exceeding six months from the date they are due for payment				
	Considered good	-	-	349.22	405.24
	Considered doubtful	676.69	681.97	-	-
	Less: Provision for doubtful debts	(676.69)	(681.97)	-	-
	(A)	-	-	349.22	405.24
b)	Others				
	Considered good	-	-	856.63	926.26
	Considered doubtful	27.77	55.65	-	-
	Less: Provision for doubtful debts	(27.77)	(55.65)	-	-
	(B)	-	-	856.63	926.26
	TOTAL (A+B)	-	-	1,205.85	1,331.50

15 MOVEMENT OF PROVISION FOR DOUBTFUL DEBTS (Rs. Million)

		As at	
		March 31, 2016	March 31, 2015
	Opening Provision	737.62	578.17
	Add: Provision on account of Amalgamation of subsidiaries [Refer Note 30]	-	2.71
	Add: Additional Provision created*	21.46	211.60
	Add: Provision/(Written off) for business support on account of change in delivery technology	(13.70)	39.77
	Less: Bad debts written back**	(25.85)	(1.34)
	Less: Bad Debts written off	(15.07)	(93.29)
	Closing Provision	704.46	737.62

* Provision for doubtful debts amounting to Rs. Nil (Previous year Rs. 225.08 Million) shown as exceptional item [Refer Note 29 (vii) & (viii)].

** Provision for doubtful debts written back amounting to Rs. 17.42 Million (Previous year Rs. Nil) shown as exceptional item [Refer Note 29 (viii)].

		(Rs. Million)			
		As at			
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		Non-Current		Current	
16	OTHER ASSETS				
	Non Current Bank Balances (Refer Note 18)	0.12	0.10	-	-
	Unbilled Revenue	2.54	-	72.23	58.46
	Less: Provision for Unbilled Revenue	(2.54)	-	-	-
	Interest Receivable	-	8.57	5.80	10.38
	Less: Provision for Interest Receivable	-	(8.57)	-	-
		0.12	0.10	78.03	68.84

(Rs. Million)

17 INVENTORIES (Valued at lower of Cost or Net Realisable Value)	As at	
	March 31, 2016	March 31, 2015
As at the end of the year		
Traded Goods		
a) Courseware and Training Material*	44.44	26.74
b) Software	0.49	0.45
Sub-Total (A)	44.93	27.19
As at the beginning of the year		
Traded Goods		
a) Courseware and Training Material*	26.74	46.27
b) Software	0.45	1.03
Sub-Total (B)	27.19	47.30
(Increase)/ Decrease in Inventory (B-A)	(17.74)	20.11

* Net of provision for non-moving inventories of Rs. 5.46 Million (Previous year Rs. 11.08 Million). [Refer Note 29 (vi)].

(Rs. Million)

18 CASH AND BANK BALANCES	As at	
	March 31, 2016	March 31, 2015
	Current	
Cash and Cash Equivalents:		
Balance with Banks		
- Current Accounts	72.96	45.28
- Bank deposits with original maturity of 3 months or less	-	7.00
Cheques and Drafts on hand	17.44	21.70
Cash on hand	19.17	2.93
Sub Total (A)	109.57	76.91
Other Bank Balances:		
Bank Deposits*		
With original maturity of more than 3 months and upto 12 months	16.33	42.61
With original maturity of more than 12 months	0.12	0.10
Dividend Accounts	9.49	10.54
* Pledged as Margin money		
Sub Total (B)	25.94	53.25
Total (A+B)	135.51	130.16
Amount disclosed under "Other Non Current Assets" (Refer Note 16) (C)	(0.12)	(0.10)
Total (A+B+C)	135.39	130.06

19 CONTINGENT LIABILITIES

(Rs. Million)

1. Claims against the Company not acknowledged as debts:-	As at	
	March 31, 2016	March 31, 2015
- Customers	6.13	6.10
- Sales Tax/ VAT	-	2.50
- Works Contract Tax	31.32	31.32
- Customs Duty	4.80	4.70
- Service Tax	-	20.98
- Income Tax	372.42	369.92
- Others*	14.44	12.74

*Pertains to alleged dues towards provident fund payable by vendors of the Company which the Company is also contesting.

(a) It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Management does not foresee any financial implication based on advice of legal counsel.

(b) The Company does not expect any reimbursements in respect of the above.

2. The Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. Orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal. The Tribunal has since passed order for AY 1999-00. The Tribunal has decided the issue of assumption of jurisdiction against the Company. On merits, Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for fresh examination and at this stage there is no ascertained/ quantified demands. The Company has filed appeal before the Hon'ble High Court against the aforesaid order of the Tribunal which is pending for disposal. The Hon'ble High Court, however, has passed interim order that Assessing Officer will proceed with the matter, but he will not pass final order. Based on legal opinion, the Company has good chances of obtaining adequate relief before the Hon'ble High Court.

3. Guarantees

- i. Guarantees issued by bankers outstanding at the end of the year Rs. 1.12 Million (Previous year Rs.4.50 Million).
- ii. Corporate Guarantee of Rs. 562.49 Million (USD 8.5 Million) [Previous year Rs. 529.85 Million (USD 8.50 Million)] issued to Skill Soft Corporation, USA & Skill Soft Ireland Limited to secure them against any indemnification obligations of NIIT Ventures Inc. (erstwhile step down subsidiary of the Company) and NIIT (USA) Inc., with respect to sale of Element K Corporation (erstwhile step down subsidiary of the Company) in prior year.
- iii. Corporate Guarantee given to National Skill Development Corporation to secure loans of Rs. 142.64 Million (Previous year Rs. 142.64 Million) availed by NIIT Yuva Jyoti Limited, a subsidiary of the Company.

4. Other monies for which the company is contingently liable

- i. Security given for working capital limits on behalf of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 30 Million (Previous year Rs. 30 Million) [Amount Outstanding at year end Rs.Nil (Previous year Rs. Nil)]
- ii. Standby Letter of Credit Rs. 496.31 Million (USD 7.5 Million) [Previous year Rs. 467.52 Million (USD 7.5 Million)] issued for working capital limits in favour of NIIT (USA) Inc., USA, a subsidiary of the Company by earmarking working capital facility of NIIT Limited.
- iii. The Company has outstanding letters of credit of Rs. 26.58 Million (Previous year Rs. Nil).

20 CAPITAL AND OTHER COMMITMENTS

- (a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 508.72 Million (Previous year Rs. 12.83 Million).
- (b) For commitments related to lease arrangements, refer Note 40.
- (c) The Company has issued a letter of support to provide need based financial support to its subsidiaries Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited), NIIT Yuva Jyoti Limited, NIIT Ireland Limited and NIIT Antilles NV.
- (d) For commitments related to Investment in subsidiaries, refer Note 11.

21 REVENUE FROM OPERATIONS	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Sale of Products :		
-Courseware and Training Material	927.50	911.94
-Hardware & Accessories	3.21	0.11
Sale of Services *	2,883.78	2,573.39
	<u>3,814.49</u>	<u>3,485.44</u>

* Revenue for the year includes revenue for the previous year amounting to Rs. Nil (Previous year Rs 4.89 Million).

22 OTHER INCOME	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Interest Income	31.80	14.02
Less: Provision for Interest Receivable	-	(5.43)
Dividend Income from Investments in Associates	137.69	130.44
Dividend Income from Current Investments	0.12	0.46
Profit/(Loss) from Sale of Current Investment	0.57	-
Provision/ Other Liabilities Written Back	40.13	5.56
Gain on Sale of Fixed Assets (Net)	3.82	-
Gain on Foreign Currency Translation and Transaction (net)	9.94	2.66
Recovery from Subsidiaries for Management Services	152.26	157.51
Other Non-Operating Income	27.84	64.02
	<u>404.17</u>	<u>369.24</u>

23 EMPLOYEE BENEFITS EXPENSE	(Rs. Million)	
	Year ended	
(Refer Note 37)	March 31, 2016	March 31, 2015
Salaries and Benefits	1,291.35	1,165.30
Contribution to Provident and other Funds	57.91	67.98
Employees Stock Option Expense	-	0.11
Staff Welfare	36.34	40.86
	<u>1,385.60</u>	<u>1,274.25</u>

24 EMPLOYEE BENEFITS

A) Defined Contribution Plans

The Company makes contribution towards Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in the Statement of Profit and Loss under "Employee Benefits Expense" in Note 23:-

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
- Employers' Contribution to Provident Fund	-	0.06
- Employers' Contribution to Superannuation Fund	8.05	8.20
- Employers' Contribution to Employees Pension Scheme	16.60	13.69
- Employers' Contribution to Employees National Pension System	0.77	0.87
- Employers' Contribution towards Social Security Schemes in foreign territories	0.35	0.50

Contribution towards Superannuation Fund to the defined contribution plans includes following cost for Key Managerial Personnel:

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
- Employers' Contribution to Superannuation Fund	1.69	1.73
- Employers' Contribution to Employees Pension Scheme	0.02	0.01
- Employers' Contribution to Employees National Pension System	0.41	0.38

B) Defined Benefit Plans

I. Provident Fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"), which is a defined benefit plan. The Company contributed Rs. 19.78 Million (Previous year Rs. 20.42 Million) including Rs. 1.95 Million (Previous year Rs. 1.95 Million) in respect of Key Managerial personnel during the year to the Trust.

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.

The guidance on implementing AS 15 Employee Benefits (revised 2005), issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at the year end.

The details of fund and plan assets of the Trust (inclusive of contribution received from subsidiaries) are as follows (limited to the extent provided by the actuary):

(i) Change in Defined Benefit Obligation (Rs. Million)

Particulars	As at	
	March 31, 2016	March 31, 2015
Present value defined benefit obligation as at the beginning of the year	5.64	5.34
Current service cost	0.82	0.75
Interest Cost	0.44	0.49
Actuarial (gain)/ loss on obligations	0.47	(0.94)
Present Value Defined Benefit Obligations at the end of the year	7.37	5.64

(ii) Change in Fair Value of Assets

Particulars	As at	
	March 31, 2016	March 31, 2015
Fair value of plan assets as at the beginning of the year	91.76	48.90
Actuarial (loss) / gain on plan assets	27.30	42.86
Fair value of Plan Assets as at the end of the year	119.06	91.76

(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet

Particulars	As at	
	March 31, 2016	March 31, 2015
Present value of defined benefit obligation	7.37	5.64
Fair Value of plan assets	119.06	91.76
Funded Status [surplus/ (deficit) not recognised]	111.69	86.12
Net Asset/ (Liability) recognised in the Balance Sheet	-	-

(iv) Assumptions used in accounting for provident Fund:-

	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (Per Annum)	7.75%	7.75%
Expected return on Plan Assets	8.60%	8.60%
Expected guaranteed interest rate	8.75% and 8.60% for subsequent years	8.75% and 8.60% for subsequent years

(v) Investment details of Plan Assets:-

	Year ended	
	March 31, 2016	March 31, 2015
Government Securities	47.39%	45.75%
Debt Instruments	51.09%	54.25%
Equities	0.91%	-
Short term Debt Instruments	0.61%	-
Total	100.00%	100.00%

		(Rs. Million)	
		As at	
Particulars	March 31, 2016	March 31, 2015	March 31, 2015
II Compensated Absences			
i) Change in Present value of Obligation:-			
Present value of obligation as at the beginning of the year	50.91		72.62
Reduction on account of transfer of School Business Undertaking (Refer Note 30)	-		(9.87)
Addition on account of amalgamation of wholly owned Subsidiaries (Refer Note 30)	-		0.55
Current service cost	14.95		16.24
Past Service Cost	(10.43)		-
Interest Cost	3.92		5.84
Benefits Paid	(0.53)		(0.28)
Addition on account of transfer of employees from subsidiaries	3.86		-
Actuarial (gain)/ loss on Obligations	(18.17)		(34.19)
Present value of obligation as at the end of the year	44.51		50.91
Classification in the balance sheet			
Short-Term	41.09		47.03
Long-Term	3.42		3.88
Total	44.51		50.91
		As at	
		March 31, 2016	March 31, 2015
ii) Assumptions used in accounting for Compensated Absences:-			
Discount Rate (per annum)	7.75%		7.75%
Future Salary Increase			
-For First 5 Years	8.00%		7.00%
-Thereafter	8.00%		7.00%

Estimates of future salary increase (cost to the Company) considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

		(Rs. Million)	
		As at	
Particulars	March 31, 2016	March 31, 2015	March 31, 2015
III. Gratuity Fund			
i) Change in Present value of Obligation:-			
Present value of obligation as at the beginning of the year	106.50		90.94
Reduction on account of transfer of School Business Undertaking (Refer Note 30)	-		(7.09)
Addition on account of amalgamation of wholly owned Subsidiaries (Refer Note 30)	-		0.62
Interest cost	7.29		7.26
Current service cost	10.53		8.27
Addition on account of transfer of employees from subsidiaries	4.04		2.27
Benefits paid	(24.78)		(12.03)
Actuarial (gain)/ loss on obligations	1.25		16.26
Present value of obligation as at the end of the year	104.83		106.50
ii) Change in Plan Assets:-			
Fair value of Plan Assets as at the beginning of the year	86.84		89.07
Reduction on account of transfer of School Business Undertaking (Refer Note 30)	-		(6.94)
Addition on account of amalgamation of wholly owned Subsidiaries (Refer Note 30)	-		0.24
Addition on account of transfer of employees from subsidiaries	2.02		2.27
Expected return on Plan Assets	7.07		7.51
Contributions*	8.15		7.10
Benefits Paid	(24.78)		(12.03)
Actuarial (loss)/ gain on Plan Assets	(0.36)		(0.38)
Fair value of Plan Assets as at the end of the year	78.94		86.84

*Contributions include recoveries from Associates and Subsidiaries.

**Actuary's estimates of contributions for the next financial year is Rs. 37.03 Million (Previous year Rs. 29.50 Million).

Particulars	(Rs. Million)				
	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
iii) Amount of Asset/ (obligation) recognised in the Balance Sheet:-					
Fair value of Plan Assets as at the end of the year	78.94	86.84	89.07	88.77	89.53
Present value of obligation as at the end of the year	104.83	106.50	90.94	96.67	94.04
Asset/ (obligation) recognised in Balance Sheet	<u>(25.89)</u>	<u>(19.66)</u>	<u>(1.87)</u>	<u>(7.90)</u>	<u>(4.51)</u>

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
iv) Net Gratuity Cost recognised in Statement of Profit and Loss:-		
Current service cost	10.53	8.27
Interest cost	7.29	7.26
Expected return on Plan Assets	(7.07)	(7.51)
Net Actuarial (gain)/ loss recognised during the year	1.62	16.59
Expense recognised in the Statement of Profit and Loss*	<u>12.37</u>	<u>24.61</u>
Actual return on plan assets	6.71	7.13

*Gross of Recoveries from Associates & Subsidiaries Current year Rs. Nil (Previous year Rs. 0.37 Million) and also includes Rs. 3.11 Million (Previous year Rs. 5.99 Million) towards contribution for Key Managerial Personnel.

*The above cost is included under "Employee Benefits Expense" in Note 23.

v) Assumptions used in accounting for gratuity plan:-	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (Per annum)	7.75%	7.75%
Future Salary Increase	6.00%	6.00%
Expected Rate of return on plan assets	9.10%	9.00%

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

vi) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. 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.

25 EMPLOYEES STOCK OPTION SCHEME

During the year 2005-06, the Company had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board, in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.

As per the plan, each option is exercisable for one equity share of face value of Rs. 2/- each (Rs. 10/- each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

NOTES to the Financial Statements for the year ended March 31, 2016

The summary of options granted is as follows:

Particulars	Grant V						Grant VI					
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	26-Oct-09	26-Oct-09	26-Oct-09	26-Oct-09	26-Oct-09	26-Oct-09	23-Jan-10	23-Jan-10	23-Jan-10	23-Jan-10	23-Jan-10	23-Jan-10
Date of Vesting	26-Oct-10	26-Oct-10	26-Oct-11	26-Oct-11	26-Oct-12	26-Oct-12	23-Jan-11	23-Jan-11	23-Jan-12	23-Jan-12	23-Jan-13	23-Jan-13
Live options at the beginning of the year (Nos.)	-	-	10,18,105	8,60,571	9,76,828	-	-	66,410	-	66,410	52,510	63,630
Granted during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	10,18,105	1,48,909	1,16,257	-	-	66,410	-	66,410	10,480	11,120
Options exercised (Nos)	-	-	-	1,10,080	-	-	-	-	-	-	1,390	-
Outstanding/ exercisable at the end of the year (Nos)	-	-	-	-	6,01,582	8,60,571	-	-	-	-	40,640	52,510
Exercise Price (Rs.)	72.20	72.20	72.20	72.20	72.20	72.20	69.20	69.20	69.20	69.20	69.20	69.20
Remaining Contractual Life (Days)	-	-	-	-	-	209	-	-	-	-	-	298
Fair value of the options based on Black and Scholes Model (Rs.)	32.00	32.00	34.77	34.77	36.64	36.64	30.47	30.47	32.91	32.91	34.74	34.74
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Grant VII						Grant VIII					
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	22-Oct-10	22-Oct-10	22-Oct-10	22-Oct-10	22-Oct-10	22-Oct-10	08-May-12	08-May-12	08-May-12	08-May-12	08-May-12	08-May-12
Date of Vesting	22-Oct-11	22-Oct-11	22-Oct-12	22-Oct-12	22-Oct-13	22-Oct-13	08-May-13	08-May-13	08-May-14	08-May-14	08-May-14	08-May-14
Live options at the beginning of the year (Nos.)	-	12,000	12,000	12,000	12,000	12,000	-	-	-	-	25,000	-
Granted during the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	12,000	12,000	-	12,000	-	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-	-	-	-	-	-	25,000
Outstanding/ exercisable at the end of the year (Nos)	-	-	-	12,000	-	12,000	-	-	-	-	-	-
Exercise Price (Rs.)	67.65	67.65	67.65	67.65	67.65	67.65	2.00	2.00	2.00	2.00	2.00	2.00
Remaining Contractual Life (Days)	-	-	-	205	205	570	-	-	-	-	-	-
Fair value of the options based on Black and Scholes Model (Rs.)	28.35	28.35	32.00	32.00	34.35	34.35	40.64	40.64	39.71	39.71	39.71	39.71
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	43.05	43.05	43.05	43.05	43.05	43.05

NOTES to the Financial Statements for the year ended March 31, 2016

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Particulars	Grant IX						Grant X					
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2		Vest 3	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	21-May-14	21-May-14	21-May-14	21-May-14	21-May-14	21-May-14	28-Aug-14	28-Aug-14	28-Aug-14	28-Aug-14	28-Aug-14	28-Aug-14
Date of Vesting	20-May-15	20-May-15	20-May-16	20-May-16	20-May-17	20-May-17	28-Aug-15	28-Aug-15	28-Aug-16	28-Aug-16	28-Aug-17	28-Aug-17
Live options at the beginning of the year (Nos.)	4,69,300	-	4,69,300	-	4,71,400	-	1,23,332	-	1,23,332	-	1,23,332	-
Granted during the year (Nos.)	-	4,95,900	-	4,95,900	-	4,98,200	-	1,23,332	-	1,23,332	-	1,23,336
Forfeited/ lapsed till vesting period (Nos.)	-	26,600	93,200	26,600	93,600	26,800	-	-	-	-	-	-
Options Vested (Nos)	4,69,300	-	-	-	-	-	1,23,332	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	1,52,500	-	-	-	-	-	66,666	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	3,16,800	4,69,300	3,76,100	4,69,300	3,77,800	4,71,400	1,23,332	1,23,332	1,23,332	1,23,332	1,23,336	1,23,336
Exercise Price (Rs.)	35.40	35.40	35.40	35.40	35.40	35.40	49.75	49.75	49.75	49.75	49.75	49.75
Remaining Contractual Life (Days)	1,512	1,877	1,877	2,242	2,242	2,607	1,612	1,977	1,977	2,342	2,342	2,707
Fair value of the options based on Black and Scholes Model (Rs.)	10.66	10.66	11.45	11.45	14.35	14.35	15.50	15.50	16.61	16.61	19.78	19.78
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Grant XI						Grant XII						Grant XIII						Grant XIV						Grant XV					
	Vest 1		Vest 2		Vest 3		Vest 4		Vest 5		Vest 1		Vest 2		Vest 3		Vest 4		Vest 5		Vest 1		Vest 2		Vest 3		Vest 4		Vest 5	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14
Date of Vesting	17-Oct-15	17-Oct-15	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16	17-Oct-16
Live options at the beginning of the year (Nos.)	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-
Granted during the year (Nos.)	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000	-	2,00,000
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Options Vested (Nos)	2,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Options exercised (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Outstanding/ exercisable at the end of the year (Nos)	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	
Exercise Price (Rs.)	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	
Remaining Contractual Life (Days)	1,375	1,741	1,741	1,741	1,375	1,741	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	1,375	1,741	
Fair value of the options based on Black and Scholes Model (Rs.)	14.71	14.71	15.23	15.23	15.80	15.80	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	16.27	
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Particulars	Grant XVI						Grant XVII						Grant XVIII						Grant XIX						Grant XX					
	Vest 1		Vest 2		Vest 3		Vest 4		Vest 5		Vest 1		Vest 2		Vest 3		Vest 4		Vest 5		Vest 1		Vest 2		Vest 3		Vest 4		Vest 5	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	24-Jun-15	
Date of Vesting	24-Jun-16	24-Jun-16	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	24-Jun-17	
Live options at the beginning of the year (Nos.)	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	5,33,332	
Granted during the year (Nos.)	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	-	50,000	
Forfeited/ lapsed till vesting period (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Options Vested (Nos)	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	-	5,33,332	
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Options exercised (Nos)	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	4,83,332	
Outstanding/ exercisable at the end of the year (Nos)	41,60	41,60	2,276	2,641	1,934	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	
Exercise Price (Rs.)	1,911	1,911	2,276	2,641	1,934	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	2,299	2,664	
Fair value of the options based on Black and Scholes Model (Rs.)	13.45	13.45	14.38	15.07	17.01	18.21	19.08	25.91	25.91	25.91	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	27.48	
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

NOTES to the Financial Statements for the year ended March 31, 2016

The assumptions used by independent valuers, for determination of fair value of a share of Rs. 2/- each fully paid up as per the Black & Scholes Models are as follows:

Particulars	Grant V		Grant VI		Grant VII		Grant VIII	
	Vest 1	Vest 2	Vest 1	Vest 2	Vest 1	Vest 2	Vest 1	Vest 2
Market price considered	72.2	72.2	69.2	69.2	67.65	67.65	67.65	45.05
Exercise price	72.2	72.2	69.2	69.2	67.65	67.65	67.65	2
Dividend yield	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	2.55%	2.55%
Volatility	71.63%	66.14%	71.56%	65.68%	61.44%	63.40%	60.71%	52.84%
Average life of the options (in years)	2.5	3.5	4.5	3.5	2.5	3.5	4.5	2.5
Risk free rate	6.55%	6.92%	7.19%	6.51%	6.80%	7.36%	7.73%	8.15%
								8.22%

Particulars	Grant IX			Grant X			Grant XI		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	35.4	35.4	35.4	49.75	49.75	49.75	48.5	48.5	48.5
Exercise price	35.4	35.4	35.4	49.75	49.75	49.75	48.5	48.5	48.5
Dividend yield	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%
Volatility	39.04%	37.65%	48.22%	40.75%	39.51%	46.99%	42.47%	41.13%	40.48%
Average life of the options (in years)	3.5	4.5	5.5	3.5	4.5	5.5	3.11	3.61	4.11
Risk free rate	8.68%	8.73%	8.78%	8.78%	8.73%	8.70%	8.48%	8.49%	8.50%
									8.51%

Particulars	Grant XII			Grant XIII			Grant XIV			Grant XV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	41.60	41.60	41.60	52.15	52.15	52.15	75.65	75.65	75.65	75.65	75.65	75.65
Exercise price	41.60	41.60	41.60	52.15	52.15	52.15	75.65	75.65	75.65	75.65	75.65	75.65
Dividend yield	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Volatility	42.73%	41.13%	39.89%	43.53%	41.89%	40.56%	47.11%	47.11%	44.92%	42.94%	42.94%	42.94%
Average life of the options (in years)	3.5	4.5	5.5	3.5	4.5	5.5	3.5	3.5	4.5	4.5	5.5	5.5
Risk free rate	7.95%	7.93%	7.92%	7.79%	7.86%	7.90%	7.47%	7.47%	7.58%	7.47%	7.67%	7.67%

Other information regarding employee share based payment is as below:

(Rs. Million)

Particulars	Grant IX			Grant X		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2014-15
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	0.42	2.23	1.11	1.20	0.94	1.01
						0.62
						0.46
						0.80
						0.25
						0.64
						0.20

Particulars	Grant XI			Grant XV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2014-15
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	1.61	1.34	1.52	0.69	0.48	0.37
						0.81
						0.16
						0.67
						0.31

Particulars	Grant XII			Grant XIII			Grant XIV			Grant XV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16
Additional expense had the Company recorded the ESOP Expense based on fair value of the options*	2.25	1.20	0.84	3.40	1.82	1.27	0.16	0.08	0.06	0.08	0.06	0.06

*Net of amount attributable to the employees of subsidiaries Rs. 13.21 Million (Previous year Rs. 5.46 Million)

For impact on Basic and Dilutive EPS, had fair value of the option been used for determining ESOP expense, Refer Note 35.

	Year ended March 31, 2016	(Rs. Million) Year ended March 31, 2015
26 FINANCE COSTS		
Interest Expense	188.98	127.57
Other Borrowing Costs	<u>6.28</u>	<u>2.35</u>
	<u>195.26</u>	<u>129.92</u>
	Year ended March 31, 2016	(Rs. Million) Year ended March 31, 2015
27 OTHER EXPENSES		
[Refer Note 37]		
Equipment Hiring	159.88	53.29
Royalties	70.26	10.91
Freight and Cartage	12.00	11.31
Rent (net of recoveries)	205.46	261.21
Rates and Taxes	6.51	2.73
Power & Fuel	73.39	73.29
Communication	87.49	86.42
Legal and Professional	125.34	95.64
Travelling and Conveyance	211.31	203.38
Provision for Doubtful Debts	21.46	26.29
Bad debts Written off	14.12	4.63
Less:-Provision for Doubtful Debts written back	<u>(14.12)</u>	<u>-</u>
Provision for Unbilled Revenue	2.54	-
Provision for Doubtful Advances and Deposits	0.66	3.13
Advances Written off	2.20	-
Insurance	8.13	5.58
Repairs and Maintenance		
- Plant and Machinery	28.46	21.94
- Buildings	2.47	4.40
- Others	52.75	49.31
Consumables	20.61	34.66
Loss on Sale of Fixed Assets (Net)	-	2.88
Security and Administration Services	24.02	24.84
Bank Charges	14.82	9.85
Marketing & Advertising Expenses	268.06	286.41
Discounts & Rebates	41.95	44.83
Sundry Expenses	21.73	33.76
	<u>1,461.50</u>	<u>1,350.69</u>
	Year ended March 31, 2016	(Rs. Million) Year ended March 31, 2015
28 PAYMENT TO AUDITORS		
As Auditor		
- Audit Fee	6.99	6.85
- Tax Audit Fee	0.55	0.50
- Limited Review Fee	1.65	1.50
Other Certification Fee	0.49	2.04
Reimbursement of expenses (including service tax)	2.32	2.67
	<u>12.00</u>	<u>13.56</u>

	Year ended March 31, 2016	(Rs. Million) Year ended March 31, 2015
29 EXCEPTIONAL ITEMS		
Income/ (Expenditure)		
Profit on buy back of shares by subsidiary	-	111.86
Provision for diminution in value of investment in NIIT (USA) Inc. written back	-	398.42
Profit on transfer of School Business Undertaking	-	27.45
Expenses incurred for business restructuring	-	(40.45)
Expenses incurred for retrospective change in legislation	(4.49)	-
Provision for indirect tax under litigation	-	(44.57)
Provision for diminution in value of investment in wholly owned subsidiaries	-	(1065.16)
Provision for Doubtful Debts and other balances	8.95	(185.31)
Provision for business support on account of change in delivery technology	17.42	(39.77)
Provision for Inventory	-	(3.21)
Provision for Security Deposit	-	(6.86)
Total	21.88	(847.60)

Exceptional items as above comprise, items of income/(expenditure), arising from ordinary activities of the Company of such size, nature or incidence that their separate disclosure is considered appropriate to better explain the performance for the year.

- (i) During the year, the Company has written back provision amounting to Rs. 8.95 Million for doubtful debts and advances recoverable from its wholly owned subsidiary Mindchampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall-Education Limited) which was recognised as an exceptional item at the time of recognition.
- (ii) During the year, the Company has created an additional provision for bonus of Rs. 4.49 Million related to the period April 1, 2014 to March 31, 2015 pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.
- (iii) During the previous year, NIIT (USA) Inc., a wholly owned overseas subsidiary of the Company, has bought back 6.50 Million equity shares from the Company for a consideration of USD 1.01 per share based on a valuation carried out by an independent valuer. The difference in the fair value and the book value of shares aggregating to Rs. 111.86 Million was recognised as an exceptional income in the financial statements. NIIT (USA) Inc. continues to be a wholly owned subsidiary post this transaction. Further, in view of consistent improvement in financial performance of NIIT (USA) Inc. USA, strong order book and financial projections, the Company has written back the provision for diminution, other than temporary, in value of investments amounting to Rs. 398.42 Million in the previous year.
- (iv) During the previous year, pursuant to the Scheme of Arrangement (Refer Note 30), the Company had transferred the School Business Undertaking to its wholly owned subsidiary company, Mindchampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall Education Limited), for a consideration of Rs.1,080.64 Million against a net book value of Rs. 1,053.19 Million. The difference between consideration and book value amounting to Rs. 27.45 Million was credited to Statement of Profit and Loss. Further, the expenditure incurred in relation to the Scheme of Arrangement amounting to Rs. 40.45 Million was charged to the Statement of Profit and Loss.
- (v) The Company had made a provision of Rs. 44.57 Million in the previous year towards Value added tax basis ongoing proceedings with the concerned authorities in respect of customer contracts executed in earlier years.
- (vi) During the previous year, the Company had made a provision for diminution, other than temporary, in value of investment amounting to Rs. 855.16 Million and Rs. 210 Million for the investment made in wholly owned subsidiaries, NIIT Antilles NV, Netherlands Antilles and Mindchampion Learning Systems Limited (Formerly Known as Hole-in-the-Wall Education Limited) respectively based on future business direction, cash generating capabilities and revised business plans.

- vii) Owing to significant delays in collections, persistent follow up and management's defocus from government and other contracts, the Company made one time provision in respect of receivable balance from the customers of Rs. 185.31 Million during the previous year. Further during the previous year the company closed education centres as a result of which the Company created a provision for security deposit of Rs. 6.86 Million for centres closed.
- viii) During the previous year, the Company completed transition from physical mode of courseware delivery to Cloud and Collaborative Delivery Model. On account of change in delivery technology, the Company made provision for inventory aggregating to Rs. 3.21 Million lying with the Company and made provision for business support amounting to Rs. 39.77 Million as one time credit to eligible business partners out of which an amount of Rs. 17.42 Million has been written back upon settlement of claims of the eligible business partners.
- ix) During the previous year, pursuant to slow down in IT training business the Company has made a provision for impairment of intangibles which is included in Note 10.1 under Fixed assets.

30 Scheme of Arrangement

The Board of Directors in their meeting held on August 26, 2014 approved a Composite Scheme of Arrangement ('the Scheme') between the Company and its erstwhile subsidiaries Scantech Evaluation Services Limited ('SESL'), Evolv Services Limited ('ESL'), NIIT Online Learning Limited ('NOLL') (also, collectively referred to as 'the amalgamating companies') and Hole-in-the-Wall Education Limited ('HiWEL' or 'the transferee company') and their respective shareholders and creditors under sections 391 to 394 of the Companies Act, 1956, for streamlining of the group structure, consolidation of business operations and reduction in costs. SESL is engaged in the business of making investment into shares and securities of other companies/ body corporates, ESL is in the business of providing training to corporate customers in areas of professional life and NOLL is in the business of online learning through use of web-based technologies. The transferee company is involved in research and development activities involving elementary education and life skills of children.

Pursuant to the Scheme, the amalgamating companies were transferred to and vested with the Company and the School Business Undertaking of the Company, as defined in the Scheme ('the Undertaking'), was transferred to the transferee company for a lumpsum consideration of Rs.1,080.64 Million retrospectively with effect from April 1, 2014 ('the appointed date'). The Scheme was approved by the shareholders and the Hon'ble High Court of Judicature at Delhi ('the Hon'ble High Court') on January 31, 2015 and May 8, 2015 respectively. The Scheme came into effect upon filing of the order of the Hon'ble High Court with the Registrar of Companies on May 23, 2015 ('the effective date'). From the effective date, the amalgamating companies stand dissolved without being wound up and their business continues to be carried out by the Company.

A. In respect of amalgamation of amalgamating companies

Pursuant to the Scheme, the businesses of the amalgamating companies, together with all the properties, assets, rights, liabilities and interest therein, stood transferred to and vested in the Company, as a going concern, with effect from April 1, 2014 and the business of the amalgamating companies was carried out for and on account of and in trust by the Company. The authorised share capital of the Company was increased by an amount of Rs. 636 Million.

The amalgamation was accounted for using 'Purchase' method as set out in Accounting Standard (AS)14 Accounting for Amalgamations based on an opinion received from the Expert Advisory Committee of the ICAI (the 'EAC').

In accordance with the scheme all the assets and liabilities as on the appointed date, of the amalgamating companies became the assets and liabilities of the Company and were recorded at fair values in the books of the Company based on a report of an independent valuer and the difference between the fair value of assets and liabilities of the amalgamating companies was credited to Capital Reserve Account after adjusting inter-company balances, as approved by the Board of Directors in their meeting held on July 17, 2015.

Adjustments made upon amalgamation were as follows:-

(Rs. Million)

Particulars in the books of account for the year ended March 31, 2015	SESL	NOLL	ESL	Total
A. In books of subsidiaries				
Fixed Assets	0.01	-	5.66	5.67
Investment (Refer Note 11)	5,186.90	5.95	-	5,192.85
Trade receivables	-	-	24.67	24.67
Cash and bank balances	1.14	0.41	5.33	6.88
Loans and advances	199.22	1.37	30.36	230.95
Other current and Non-Current assets	12.88	-	2.73	15.61
Total Assets (A)	5,400.15	7.73	68.75	5,476.63
Current Liabilities and Provisions	120.74	0.06	13.25	134.05
Total Liabilities (B)	120.74	0.06	13.25	134.05
Net Assets/ (Liabilities) (C=A-B)	5,279.41	7.67	55.50	5,342.58
B. In books of Company				
Less : Cancellation of Investment (D)	(99.10)	(4.39)	(66.81)	(170.30)
Net Surplus/ (Deficit) credited to Capital Reserve (Refer Note 4) (C-D)	5,180.31	3.28	(11.31)	5,172.28

B. In respect of transfer of the Undertaking

Upon the Scheme becoming effective and from the appointed date, the Undertaking stood transferred to and vested in the transferee company and the business of the Undertaking was carried out for and on account of and in trust for the transferee company upto the effective date. Pursuant to the Scheme, the consideration over the excess of book values of the assets of the Undertaking comprising fixed assets, trade receivable, cash and bank balances and other assets and the aggregate of the transferred liabilities was credited to the Statement of Profit and Loss of the Company for the year ended March 31, 2015. The net gain of Rs. 27.45 Million, arising on such transfer, was determined as below:

Particulars	Rs. Million
Consideration received (A)	1,080.64
Less :	
Assets transferred as at April 1, 2014	
Fixed Assets	535.18
Intangibles under development	57.29
Inventories	6.02
Trade Receivables (net)	256.56
Cash and Bank balances	150.00
Loans and Advances	167.12
Other current/ Non-current assets	224.20
Total assets (B)	1,396.37
Liabilities transferred as at April 1, 2014	
Deferred tax liability	29.45
Borrowings	21.48
Current Liabilities and Provisions	292.25
Total liabilities (C)	343.18
Net Assets as at April 1, 2014 (D)= (B-C)	1,053.19
Net gain recognised and included in exceptional items (Refer Note 29) (A-D)	27.45

The consideration has since been discharged by Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) through issuance of 18,064,065 equity shares of Rs. 10/- each fully paid up and 900,000 Optionally Convertible Debentures (OCDs) of Rs. 1,000/- each fully paid at a coupon rate of 0.5% for a period of 5 years from the date of allotment. The Company shall have the right to convert such OCDs into equity shares at the expiry of third year from the date of allotment, as approved by the Board of Directors of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) in their meeting held on May 25, 2015.

31. CIF VALUE OF IMPORTS (Rs. Million)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Purchase of Traded Goods	113.36	109.20
Capital Goods	-	0.09

32. EXPENDITURE IN FOREIGN CURRENCY (Rs. Million)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Employees Benefits Expense	70.28	61.64
Professional and Technical Outsourcing Expense	137.83	166.89
Legal & Professional	1.32	2.12
Traveling and Conveyance	24.08	30.63
Others	25.70	11.58

33. DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Number of Non-residents to whom dividend is paid (Nos.)	-	2
Number of Shares held by Non-residents (Nos.)	-	97,806
Amount remitted (Rs. Million)	-	0.16
Year to which the dividend related (Financial year)	-	2013-14

34. EARNINGS IN FOREIGN CURRENCY (Rs. Million)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Export of Services & Products	1,594.17	1,363.81
Interest (Net of Taxes)	-	0.01
Recovery from Overseas Subsidiaries	114.58	52.63

35. EARNINGS PER SHARE

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit/(loss) attributable to Equity Shareholders (Rs. Million) - (A)	1.09	(1,160.96)
Weighted average number of Equity Shares outstanding during the year (Nos.)- (B)	165,283,877	165,163,885
Nominal Value of Equity Shares (Rs.)	2/-	2/-
Basic Earnings/(loss) per Share (Rs.) (A/B)	0.01	(7.03)
Add : Effect of Potential Dilutive Shares (being employee stock options) (Nos.)	2,334,759	297,885
Weighted average Shares outstanding considered for determining Diluted Earnings/(loss) per Share (Nos.) - (C)	167,618,636	165,461,770
Profit/(loss) after considering increased earnings of Dilutive Shares (Rs. Million) (D)	1.09	(1,160.96)
Diluted Earnings/(loss) per Share (Rs.) (D/C)*	0.01	(7.03)

EARNINGS PER SHARE {had fair value method been employed for accounting of employee stock options (Refer Note 25)}		
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit/(loss) attributable to Equity Shareholders (Rs. Million) -(E)	(20.19)	(1,169.50)
Profit/(loss) attributable to Equity Shareholders with diluted equity shares (Rs. Million) -(F)	(20.19)	(1,169.50)
Basic Earnings/(loss) per Share (Rs.) (E/B)	(0.12)	(7.08)
Diluted Earnings/(loss) per Share (Rs.) (F/C)*	(0.12)	(7.08)

*As the impact of dilution is anti-dilutive, the basic and diluted earning/(loss) per share remains the same.

36 RELATED PARTY TRANSACTIONS AS PER ACCOUNTING STANDARD 18:

A. Related party relationship where control exists:

Subsidiaries

- 1 NIIT Online Learning Limited (Amalgamated with NIIT Limited w.e.f April 1,2014)
- 2 Scantech Evaluation Services Limited (Amalgamated with NIIT Limited w.e.f April 1,2014)
- 3 Evolv Services Limited (Amalgamated with NIIT Limited w.e.f April 1,2014)
- 4 Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)
- 5 NIIT Yuva Jyoti Limited
- 6 NIIT Institute of Finance Banking and Insurance Training Limited
- 7 NIIT Institute of Process Excellence Limited
- 8 NIIT Limited, UK
- 9 NIIT Antilles NV, Netherlands Antilles
- 10 NIIT Malaysia Sdn. Bhd, Malaysia
- 11 NIIT GC Limited, Mauritius
- 12 NIIT China (Shanghai) Limited, Shanghai, China
- 13 NIIT Wuxi Service Outsourcing Training School, China
- 14 Chongqing NIIT Education Consulting Limited, China
- 15 Wuxi NIIT Information Technology Consulting Limited, China
- 16 Changzhou NIIT Information Technology Consulting Limited, China
- 17 Su Zhou NIIT Information Technology Consulting Limited, China
- 18 NIIT (USA) Inc., USA
- 19 NIIT Ventues Inc., USA (Amalgamated with NIIT (USA) Inc., USA w.e.f. December 1, 2014)
- 20 PT NIIT Indonesia, Indonesia (Under liquidation)
- 21 NIIT West Africa Limited, Nigeria
- 22 Qingdao NIIT Information Technology Company Limited , China
- 23 Chongqing An Dao Education Consulting Limited , China
- 24 Zhangjiagang NIIT Information Services Limited , China
- 25 Chengmai NIIT Information Technology Company Limited , China
- 26 NIIT Ireland Limited
- 27 Dafeng NIIT Information Technology Company Limited
- 28 Guizhou NIIT Information Technology consulting Company Limited
- 29 NIIT Learning Solutions (Canada) Limited

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

- a) **Associates (Parties in which Company has substantial interest)**
 - 1 NIIT Technologies Limited
 - 2 NIIT GIS Limited
 - 3 NIIT Smart Serve Limited

b) Key Managerial Personnel

- 1 Rajendra S Pawar (Chairman)
- 2 Vijay K Thadani (Vice-Chairman & Managing Director) and (Chief Executive Officer till May 27, 2015)
- 3 P Rajendran (Joint Managing Director)
- 4 Rahul Keshav Patwardhan (Chief Executive Officer w.e.f. May 28, 2015)
- 5 Rohit Kumar Gupta (Chief Financial Officer)

c) Relatives of Key Managerial Personnel

- 1 Renuka Thadani (Wife of Vijay K Thadani)
- 2 Veena Oberoi (Sister of Vijay K Thadani)

d) Parties in which the Key Managerial Personnel of the Company are interested

- 1 NIIT Institute of Information Technology
- 2 NIIT Foundation (formerly known as NIIT Education Society)
- 3 NIIT University
- 4 Pace Industries Private Limited
- 5 NIIT Network Services Limited
- 6 Naya Bazaar Novelties Private Limited

C. Details of significant transactions with related parties described above carried out :

(Rs. Million)

Nature of Transactions	Subsidiaries	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Purchase of Goods {Footnote (ii)}	5.38 (0.05)	- (-)	- (-)	- (-)	0.53 (0.48)	5.91 (0.53)
Purchase of Fixed Assets (including services received for development of intangible assets) {Footnote (iii)}	11.08 (-)	- (-)	- (-)	- (-)	- (-)	11.08 (-)
Sale of Fixed Assets {Footnote (iv)}	- (0.44)	- (-)	- (-)	- (-)	- (0.05)	- (0.49)
Sale of Services {Footnote (v)}	1,246.60 (1,057.94)	1.94 (2.12)	- (-)	- (-)	0.76 (1.29)	1,249.30 (1,061.35)
Purchase of services- Employee Cost {Footnote (vi)}	- (0.71)	- (-)	- (-)	- (-)	- (0.36)	- (1.07)
Purchase of Services - Professional Technical & Outsourcing Services {Footnote (vii)}	14.95 (29.57)	- (-)	- (-)	- (-)	0.30 (4.77)	15.25 (34.34)
Purchase of Services -Others {Footnote (viii)}	- (13.43)	21.48 (19.92)	- (-)	- (-)	0.46 (2.52)	21.94 (35.87)
Recovery from subsidiaries for Management Services {Footnote (ix)}	133.92 (131.52)	- (-)	- (-)	- (-)	- (-)	133.92 (131.52)
Recovery of Employee Benefits expenses from {Footnote (x)}	6.78 (0.71)	0.21 (0.20)	- (-)	- (-)	0.05 (8.67)	7.04 (9.58)
Recovery of Professional Technical & Outsourcing expenses from {Footnote (xi)}	0.01 (0.06)	- (-)	- (-)	- (-)	- (-)	0.01 (0.06)
Recovery of other expenses from {Footnote (xii)}	61.41 (87.13)	1.06 (3.85)	- (-)	- (-)	2.80 (4.39)	65.27 (95.37)
Recovery of other expenses from under the head other income {Footnote (xiii)}	13.85 (19.81)	0.04 (0.04)	- (-)	- (-)	1.11 (2.62)	15.00 (22.47)
Recovery of Employee Benefits expenses by {Footnote (xiv)}	0.07 (-)	- (-)	- (-)	- (-)	- (-)	0.07 (-)

Recovery of Professional Technical & Outsourcing expenses by {Footnote (xv)}	94.03 (83.17)	- (-)	- (-)	- (-)	1.95 (-)	95.98 (83.17)
Recovery of other expenses by {Footnote (xvi)}	37.99 (15.40)	0.04 (-)	- (-)	1.82 (1.82)	10.07 (12.05)	49.92 (29.27)
Royalty paid {Footnote (xvii)}	53.77 (1.91)	- (-)	- (-)	- (-)	- (-)	53.77 (1.91)
Investments made {Footnote (xviii)}	10.78 (404.56)	- (-)	- (-)	- (-)	- (-)	10.78 (404.56)
Investment received back {Footnote (xix)}	- (403.36)	- (-)	- (-)	- (-)	- (-)	- (403.36)
-Loans Given {Footnote (xx)}	278.00 (99.70)	- (-)	- (-)	- (-)	- (-)	278.00 (99.70)
-Loans Given Received Back {Footnote (xxi)}	70.00 (-)	- (-)	- (-)	- (-)	- (-)	70.00 (-)
-Inter Corporate Deposits Taken {Footnote (xxii)}	85.00 (-)	- (-)	- (-)	- (-)	- (-)	85.00 (-)
-Interest Income {Footnote (xxiii)}	26.93 (5.45)	- (-)	- (-)	- (-)	- (-)	26.93 (5.45)
- Interest expenditure {Footnote (xxiv)}	6.19 (-)	- (-)	- (-)	- (-)	- (-)	6.19 (-)
Remuneration {Footnote (xxv)}	- (-)	- (-)	79.66 (41.84)	- (-)	- (-)	79.66 (41.84)
Other Income {Footnote (xxvi)}	18.34 (25.99)	- (-)	- (-)	- (-)	- (-)	18.34 (25.99)
Dividend Income {Footnote (xxvii)}	- (-)	137.69 (130.44)	- (-)	- (-)	- (-)	137.69 (130.44)
Corporate Guarantee Charges (included in Other Non-Operating Income) {Footnote (xxviii)}	3.61 (3.36)	- (-)	- (-)	- (-)	- (-)	3.61 (3.36)
Payment of Guarantee & Collaterals {Footnote (xxix)}	- (8.92)	- (-)	- (-)	- (-)	- (-)	- (8.92)

Note:- Refer Notes 19 and 20 for guarantees, collaterals and commitments.

Footnotes:-

i) Previous year figures are given in parenthesis.

ii) **Includes Purchase of Goods from:**

Naya Bazaar Novelties Pvt. Limited Rs. 0.53 Million (Previous year Rs. 0.48 Million)

Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 0.87 Million (Previous year Rs. 0.05 Million)

NIIT Yuva Jyoti Limited Rs. 0.16 Million (Previous year Rs. Nil)

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 4.35 Million (Previous year Rs. Nil)

iii) **Includes Purchase of Fixed Assets (including services received for development of intangible assets) from:**

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 11.08 Million (Previous year Rs. Nil)

iv) **Includes Sale of Fixed Assets to:**

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. Nil (Previous year Rs. 0.44 Million)

NIIT Institute of Information Technologies Rs. Nil (Previous year Rs. 0.05 Million)

v) **Includes sale of Services to:**

NIIT (USA) Inc. Rs. 897.94 Million (Previous year Rs. 810.14 Million)

NIIT Antilles NV, Netherlands Antilles Rs. 56.71 Million (Previous year Rs. 21.54 Million)

NIIT Limited, UK Rs. 246.89 Million (Previous year Rs. 208.92 Million)

NIIT Technologies Limited Rs. 1.94 Million (Previous year Rs. 2.01 Million)

NIIT Institute of Process Excellence Limited Rs. 0.19 Million (Previous year Rs. 4.18 Million)
 Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. Nil
 (Previous year Rs. 0.09 Million)
 NIIT GIS Limited Rs. Nil (Previous year Rs. 0.08 Million)
 NIIT Malaysia, Sdn, Bhd Rs. 1.30 Million (Previous year Rs. 0.76 Million)
 NIIT University Rs. 0.76 Million (Previous year Rs. 1.29 Million)
 NIIT Institute of Finance Banking and Insurance Training Limited Rs. 43.57 Million (Previous year Rs. 12.31 Million)
 NIIT Smart Serve Limited Rs. Nil (Previous year Rs. 0.03 Million)

vi) Includes Purchase of services-Employee Cost from:

NIIT Institute of Process Excellence Limited Rs. Nil (Previous year Rs. 0.71 Million)
 NIIT University Rs. Nil (Previous year Rs. 0.36 Million)

vii) Includes Purchase of services- Professional and Technical Outsourcing Expense from:

Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 0.06
 Million (Previous year Rs. Nil)
 NIIT University Rs. 0.30 Million (Previous year Rs. 4.77 Million)
 NIIT Institute of Finance Banking and Insurance Training Limited Rs. Nil (Previous year Rs. 7.26 Million)
 NIIT Institute of Process Excellence Limited Rs. 8.73 Million (Previous year Rs. 11.19 Million)
 NIIT USA Inc. Rs. Nil (Previous year Rs. 11.11 Million)
 NIIT Limited, UK Rs. 6.16 Million (Previous year Rs. Nil)

viii) Includes Purchase of services- Others from:

NIIT Institute of Process Excellence Limited Rs. Nil (Previous year Rs. 0.81 Million)
 NIIT Technologies Limited Rs. 21.48 Million (Previous year Rs. 19.92 Million)
 NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 10.98 Million)
 NIIT University Rs. 0.32 Million (Previous year Rs. 2.38 Million)
 NIIT Network Services Limited Rs. 0.14 Million (Previous year Rs. 0.14 Million)
 NIIT Limited, UK Rs. Nil (Previous year Rs. 1.64 Million)

ix) Includes Recovery from subsidiaries for Management Services:

NIIT Antilles N.V., Netherlands Antilles Rs. 1.85 Million (Previous year Rs. 11.60 Million)
 NIIT China (Shanghai) Limited Rs. 20.57 Million (Previous year Rs. Nil)
 NIIT Institute of Finance Banking and Insurance Training Limited Rs. 5.29 Million (Previous year Rs. 16.23 Million)
 NIIT Institute of Process Excellence Limited Rs. 6.19 Million (Previous year Rs. 5.65 Million)
 NIIT (USA) Inc. Rs. 40.31 Million (Previous year Rs. 8.93 Million)
 NIIT Yuva Jyoti Limited Rs. 4.41 Million (Previous year Rs. 10.03 Million)
 NIIT Limited, UK Rs. 26.26 Million (Previous year Rs. 3.42 Million)
 NIIT Ireland Limited Rs. 0.02 Million (Previous year Rs. Nil)
 Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 28.22
 Million (Previous year Rs. 75.63 Million)
 NIIT Malaysia, Sdn, Bhd Rs. 0.80 Million (Previous year Rs. 0.03 Million)

x) Includes Recovery of Employee Benefit Expenses from:

NIIT University Rs. 0.04 Million (Previous year Rs. 8.63 Million)
 NIIT Institute of Finance Banking and Insurance Training Limited Rs. 3.70 Million (Previous year Rs. 0.54 Million)
 NIIT Yuva Jyoti Limited Rs. 2.64 Million (Previous year Rs. 0.13 Million)
 Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 0.42
 Million (Previous year Rs. 0.01 Million)

NIIT Institute of Process Excellence Limited Rs. 0.02 Million (Previous year Rs. 0.03 Million)

NIIT Technologies Limited Rs. 0.21 Million (Previous year Rs. 0.20 Million)

NIIT Foundation Rs. 0.01 Million (Previous year Rs. 0.04 Million)

xi) Includes Recovery of Professional technical and outsourcing expenses from:

Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 0.01 Million (Previous year Rs. 0.01 Million)

NIIT Institute of Finance Banking and Insurance Training Limited Rs. Nil (Previous year Rs. 0.02 Million)

NIIT Yuva Jyoti Limited Rs. Nil (Previous year Rs. 0.02 Million)

NIIT Institute of Process Excellence Limited Rs. Nil (Previous year Rs. 0.01 Million)

xii) Includes Recovery of other Expenses from:

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 9.16 Million (Previous year Rs. 31.70 Million)

NIIT (USA) Inc. Rs. 13.31 Million (Previous year Rs. 12.40 Million)

NIIT Yuva Jyoti Limited Rs. 2.74 Million (Previous year Rs. 5.37 Million)

Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 17.83 Million (Previous year Rs. 23.74 Million)

NIIT Antilles N.V., Netherlands Antilles Rs. Nil (Previous year Rs. 0.39 Million)

NIIT Institute of Process Excellence Limited Rs. 2.93 Million (Previous year Rs. 1.84 Million)

NIIT Ireland Limited Rs. 0.01 Million (Previous year Rs. Nil)

NIIT University Rs. 1.55 Million (Previous year Rs. 2.10 Million)

NIIT Limited, UK Rs. 15.43 Million (Previous year Rs. 11.69 Million)

NIIT Technologies Limited Rs. 1.04 Million (Previous year Rs. 3.85 Million)

NIIT Foundation Rs. 1.25 Million (Previous year Rs. 2.30 Million)

NIIT GIS Limited Rs. 0.02 Million (Previous year Rs. 0.03 Million)

NIIT Smart Serve Limited Rs. Nil (Previous year Rs. 0.01 Million)

xiii) Includes Recovery of other expenses from under the head other income:

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 1.67 Million (Previous year Rs. 7.30 Million)

NIIT Yuva Jyoti Limited Rs. 2.99 Million (Previous year Rs. 5.59 Million)

NIIT China (Shanghai) Limited Rs. 3.18 Million (Previous year Rs. Nil)

Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 5.62 Million (Previous year Rs. 6.69 Million)

NIIT Institute of Process Excellence Limited Rs. 0.39 Million (Previous year Rs. 0.23 Million)

NIIT University Rs. 0.95 Million (Previous year Rs. 2.33 Million)

NIIT Technologies Limited Rs. 0.04 Million (Previous year Rs. 0.04 Million)

NIIT Foundation Rs. 0.16 Million (Previous year Rs. 0.28 Million)

xiv) Includes Recovery of Employee benefit Expenses by:

NIIT Yuva Jyoti Limited Rs. 0.07 Million (Previous year Rs. Nil)

xv) Includes Recovery of Professional technical and outsourcing expenses by:

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 16.87 Million (Previous year Rs. Nil)

NIIT Limited UK Rs. 61.77 Million (Previous year Rs. 83.17 Million)

NIIT (USA) Inc. Rs. 15.39 Million (Previous year Rs. Nil)

NIIT University Rs. 1.95 Million (Previous year Rs. Nil)

xvi) Includes Recovery of other Expenses by:

Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 1.69 Million (Previous year Rs. Nil)
 NIIT Institute of Finance Banking and Insurance Training Limited Rs. 1.06 Million (Previous year Rs. 6.78 Million)
 NIIT (USA) Inc. Rs. 18.30 Million (Previous year Rs. 8.62 Million)
 NIIT Yuva Jyoti Limited Rs. 16.94 Million (Previous year Rs. Nil)
 Renuka Thadani Rs. 1.09 Million (Previous year Rs. 1.09 Million)
 Veena Oberoi Rs. 0.73 Million (Previous year Rs. 0.73 Million)
 NIIT University Rs. 9.22 Million (Previous year Rs. 11.04 Million)
 NIIT Foundation Rs. 0.12 Million (Previous year Rs. 0.28 Million)
 NIIT Technologies Limited Rs. 0.04 Million (Previous year Rs. Nil)
 Pace Industries Pvt. Ltd. Rs. 0.73 Million (Previous year Rs. 0.73 Million)

xvii) Includes Royalty paid to:

NIIT Institute of Finance Banking and Insurance Training Limited Rs. 36.53 Million (Previous year Rs. 1.91 Million)
 NIIT Yuva Jyoti Limited Rs. 17.24 Million (Previous year Rs. Nil)

xviii) Represents Investments made in:

NIIT Antilles N.V., Netherlands Antilles Rs. Nil (Previous year Rs. 404.56 Million)
 NIIT Ireland Limited Rs. 10.78 Million (Previous year Rs. Nil)

xix) Represents Investments received back from:

NIIT (USA) Inc., USA Rs. Nil (Previous year Rs. 403.36 Million)

xx) Loans Given relates to:

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. Nil (Previous year Rs. 45 Million)
 Mindchampion Learning Systems Limited (Formerly known as Hole-In-The-Wall Education Limited) Rs. 278 Million (Previous year Rs. 54.70 Million)

xxi) Loans Given Received Back relates to:

NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 45 Million (Previous year Rs. Nil)
 Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 25 Million (Previous year Rs. Nil)

xxii) Inter Corporate Deposits Taken from:

NIIT Institute of Process Excellence Limited Rs. 85 Million (Previous year Rs. Nil)

xxiii) Interest Income from:

Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 26.43 Million (Previous year Rs. 5.43 Million)
 NIIT Institute of Finance, Banking & Insurance Training Limited Rs. 0.50 Million (Previous year Rs. 0.02 Million)

xxiv) Interest Expenditure includes:

NIIT Institute of Process Excellence Limited Rs. 6.19 Million (Previous year Rs. Nil)

xxv) Remuneration to:

Rajendra S Pawar Rs. Nil (Previous year Rs. 4.38 Million)
 Vijay K Thadani Rs. 15.62 Million (Previous year Rs. 5.37 Million)
 P Rajendran Rs. 16.93 Million (Previous year Rs. 20.53 Million)
 Rahul Keshav Patwardhan Rs. 32.28 Million (Previous year Rs. Nil)
 Rohit Kumar Gupta Rs. 14.83 Million (Previous year Rs. 11.56 Million)

xxvi) Other Income includes:

NIIT Antilles NV, Netherlands Antilles Rs. 18.34 Million (Previous year Rs. 25.99 Million)

xxvii) Dividend Income includes:

NIIT Technologies Limited Rs. 137.69 Million (Previous year Rs. 130.44 Million)

xxviii) Corporate Guarantee Charges (included in Other Non-Operating Income)

NIIT USA Inc. Rs. 2.90 Million (Previous year Rs. 2.65 Million)

NIIT Yuva Jyoti Limited Rs. 0.71 Million (Previous year Rs. 0.71 Million)

xxix) Payment of Guarantee & Collaterals

Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. Nil (Previous year Rs. 8.92 Million)

D. Outstanding balances (in respect of related parties in A & B above):

(Rs. Million)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Recoverable	Payables	Recoverable	Payables
Subsidiaries	810.62	173.46	469.65	69.04
Associates	8.26	12.48	4.65	10.65
Key Managerial Personnel	0.03	0.13	-	0.18
Parties in which Key Managerial Personnel of the Company are interested	2.90	8.15	11.33	8.84

Footnotes:-

(i) Refer Notes 19 and 20 for guarantees, collaterals and commitments as at the year end.

37 The Company internally develops software tools, platforms and content/courseware. The management estimates that this 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:

(Rs. Million)

Description	Year ended March 31, 2016	Year ended March 31, 2015
Opening Capital -Work-in progress	35.05	108.07
Less:- Reduction on account of transfer of School Business Undertaking (Refer Note 30)	-	(57.29)
Add:-Expenditure during the Year		
Salary and other Employee Benefits	61.10	46.21
Professional & Technical Outsourcing Expense	5.29	1.36
Rent	4.33	6.71
Other Expenses	7.99	3.78
Less:-Intangible capitilised during the year	(99.86)	(73.79)
Closing Capital Work-in progress	13.90	35.05

38 Disclosure pursuant to Clause 32 of Listing Agreement in respect of loans given to subsidiaries and other parties in which Key Managerial Personnel are interested:

(Rs. Million)

Name of Company	Outstanding		Maximum Balance during the year	
	As at March 31, 2016	As at March 31, 2015	2015-16	2014-15
Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)	307.70	54.70	332.70	54.70
NIIT Institute of Finance Banking and Insurance Training Limited	-	45.00	45.00	45.00
Total	307.70	99.70	377.70	99.70

39 SEGMENT INFORMATION

Primary Segment Information – Business Segment

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 segment.

Secondary Segment Information – Geographical

The secondary segment information in relation to the geographies is as follows:

(Rs. Million)

Particulars	Revenue from customers by location of customers	Carrying amount of segment assets by location of the assets	Additions to fixed assets
India	2,092.58 (1,903.31)	11,329.19 (10,715.51)	326.78 (155.96)
America	899.74 (814.72)	- (-)	- (-)
Europe	689.35 (541.50)	- (-)	- (-)
Asia Pacific	132.82 (225.91)	1.74 (5.64)	- (-)
Total	3,814.49 (3,485.44)	11,330.93 (10,721.15)	326.78 (155.96)

Also includes impact on account of Scheme of Arrangements (Refer Note 30)

Previous year figures are given in parenthesis.

40 LEASES

a) Operating Leases:

i. The minimum non-cancellable lease payment outstanding at the Balance Sheet date in respect of Premises:

(Rs. Million)

Particulars	Minimum lease payments	
	As at March 31, 2016	As at March 31, 2015
Not later than 1 year	-	67.92
Later than 1 year but not later than 5 years	-	73.58

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

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
In respect of Premises*	183.81	241.89
In respect of Equipments**	137.84	31.70
In respect of Vehicles	22.02	19.72

* Includes payment in respect of premises for office and employee accommodation.

** Includes payment in respect of computers, printers and other equipments.

iii. Details of Fixed Assets given on Operating Lease:

(Rs. Million)

Description of Assets	As at March 31, 2016			As at March 31, 2015		
	Gross Value	Accumulated Depreciation	Net Book Value	Gross Value	Accumulated Depreciation	Net Book Value
Buildings	-	-	-	32.24	11.04	21.20

Assets given on lease for the period April 2015 to June 2015. The aggregate depreciation charged on the above assets during the period is Rs. 0.14 Million (Previous year Rs. 0.53 Million)

b) Finance Leases:

Assets acquired under finance lease comprise intangibles (Contents/ Products). There are no exceptional/ restrictive covenants in the lease agreement.

41 Derivative Instruments

a) The Company has taken currency and interest rate swap to hedge the currency and interest rate risk in respect of foreign currency term loan for the entire tenure of the loan. The interest rate has been fully hedged at a fixed rate as per agreement

b) The following table summarises the movement in the derivatives during the current year: (USD Million)

Particulars	As at March 31, 2016	As at March 31, 2015
Opening balance as at beginning of the year	16.05	12.00
Additions during the current year	9.05	16.05
Pre-payment during the year	0.00	(12.00)
Closing balance as at the end of the year	25.10	16.05

c) An amount of Rs. 62.84 Million (Previous year Rs. 45.95 Million) (net) has been charged to Hedging Reserve in the Balance Sheet (Refer Note 4).

d) The Company has the following Unhedged foreign currency exposure as at year end:

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount in respective currency (Million)	Amount (Rs. Million)	Amount in respective currency (Million)	Amount (Rs. Million)
Trade Receivables	AUD	0.01	0.31	0.01	0.29
	EUR	0.01	1.11	0.03	1.97
	GBP	2.10	200.01	1.07	98.59
	MYR	0.09	1.58	0.06	0.96
	SGD	0.03	1.32	0.03	1.22
	USD	4.48	296.68	5.78	360.30
	CNY	2.27	23.34	-	-
Trade Payables	AUD	0.00	0.03	0.01	0.44
	EUR	0.01	0.40	0.19	13.05
	GBP	0.18	17.11	0.05	4.30
	NOK	4.05	32.47	4.30	33.25
	AED	-	-	0.00	0.07
	BRL	-	-	0.00	0.06
	SGD	0.00	0.06	0.00	0.22
	USD	0.83	54.60	0.62	38.36
	HKD	0.00	0.04	-	-
CNY	-	-	0.01	0.14	
Bank Balances	NOK	-	-	0.00	0.02
	USD	0.00	0.29	0.00	0.28

- 42 During the year, the Company initiated steps to consolidate physical and manpower capacity across its various course offerings which was spread across its own and network centres of the Company and its subsidiaries. As a result, the Company acquired the tangible fixed assets, order book, inventories and student advances of the respective subsidiaries effective from July 1, 2015, pursuant to the arrangements entered into with the respective subsidiaries. Pursuant to these arrangements, w.e.f July 1, 2015, the Company is providing training and courseware to students at its own centres and sourcing content from the respective subsidiaries. These arrangements have been duly approved by Board of Directors of the Company.
- 43 Previous year figures have been regrouped/ reclassified to conform the current year classification. Figures for the previous years are not comparable pursuant to the effect of the arrangements as stated in 42.

The accompanying Notes form an integral part of these financial statements

For and on behalf of the Board

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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

To the Members of NIIT Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of NIIT Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and associate company; (refer Note 2.1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

8. We did not audit the financial statements of 22 subsidiaries whose financial statements reflect total assets of Rs. 2,677 million and net assets of Rs.1,459 million as at March 31, 2016, total revenue of Rs. 4,270 million, net profit of Rs. 558 million and net cash flows amounting to Rs. 65 million for the year ended on that

date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors .

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and associate company incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and associate company incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group and its associate– Refer Note 19 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016 – Refer (a) Note 10 to the consolidated financial statements in respect of such items as it relates to the Group and its associate and (b) the Group's share of net profit in respect of its associate.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate company incorporated in India during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place: New Delhi
Date: May 10, 2016

Anupam Dhawan
Partner
Membership Number 084451

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NIIT Limited on the consolidated financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of NIIT Limited (hereinafter referred to as "the Holding Company") its subsidiary companies and associate company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company which is a company incorporated in India, is based on the corresponding report of the auditor of the company incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Anupam Dhawan
Partner
Membership Number 084451

Place: New Delhi
Date: May 10, 2016

CONSOLIDATED BALANCE SHEET as at March 31, 2016

	Note	As at March 31, 2016 (Rs. Million)	As at March 31, 2015 (Rs. Million)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	331.01	330.35
Reserves and Surplus	4	<u>7,719.84</u>	<u>6,966.81</u>
		<u>8,050.85</u>	<u>7,297.16</u>
Minority Interest	5	85.43	60.32
Non-Current Liabilities			
Long-Term Borrowings	6	1,803.72	1,147.79
Deferred tax liabilities	13	36.44	29.32
Other Long-Term Liabilities	9	64.44	50.07
Long-Term Provisions	10	<u>3.64</u>	<u>4.14</u>
		<u>1,908.24</u>	<u>1,231.32</u>
Current Liabilities			
Short-Term Borrowings	7	145.59	217.27
Trade Payables	8	1,977.85	1,439.40
Other Current Liabilities	9	1,077.95	1,295.52
Short-Term Provisions	10	<u>159.49</u>	<u>167.79</u>
		<u>3,360.88</u>	<u>3,119.98</u>
TOTAL		<u>13,405.40</u>	<u>11,708.78</u>
ASSETS			
Non-current assets			
Fixed assets	11		
-Tangible Assets		601.08	682.68
-Intangible Assets		473.27	422.10
-Intangible Assets under Development		17.33	36.39
Non-Current Investments	12	5,820.14	5,258.46
Deferred Tax Assets	13	141.46	138.93
Long-Term Loans and Advances	14	1,323.30	811.43
Trade Receivables	15	79.08	297.54
Other Non-Current Assets	16	<u>13.31</u>	<u>12.27</u>
		<u>8,468.97</u>	<u>7,659.80</u>
Current Assets			
Current Investments	12	-	5.95
Inventories	17	68.88	44.86
Trade Receivables	15	2,421.28	1,874.69
Cash and Bank Balances	18	885.71	863.15
Short-Term Loans and Advances	14	674.92	664.82
Other Current Assets	16	<u>885.64</u>	<u>595.51</u>
		<u>4,936.43</u>	<u>4,048.98</u>
TOTAL		<u>13,405.40</u>	<u>11,708.78</u>

The accompanying Notes form an integral part of these Consolidated Financial Statements.
This is the Consolidated 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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2016

	Note	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
INCOME			
Revenue from Operations [Includes revenue for prior period Nil (Previous year Rs. 4.89 Million)]	21	10,068.52	9,573.82
Other Income	22	76.42	131.38
Total Revenue		10,144.94	9,705.20
EXPENSES			
Purchase of Stock-in-Trade		470.04	525.71
(Increase)/ Decrease in Inventory	17	(24.02)	10.63
Employee Benefits Expense	23	3,329.24	3,040.43
Professional & Technical Outsourcing Expenses		3,076.59	3,172.39
Finance Costs	26	211.36	138.04
Depreciation and Amortisation Expenses	11	491.78	1,072.79
Other Expenses	27	2,531.61	2,601.86
Total Expenses		10,086.60	10,561.85
Profit/ (Loss) before Exceptional items and Tax		58.34	(856.65)
Exceptional items	29	15.86	(802.97)
Profit/ (Loss) before Tax		74.20	(1,659.62)
Tax expense:			
- Current Tax		63.64	56.00
- Deferred Tax (Credit)/ Charge		3.67	(34.97)
- MAT Credit Entitlement		(23.66)	(5.55)
- Provision/ (Reversal) for Tax relating to earlier years	13	(6.91)	(3.72)
Profit/ (Loss) after tax before Share of results of Associate's Profit and Minority Interests		37.46	(1,671.38)
Share of Associate's net profit		663.24	270.79
Net Loss/ (Profit) attributable to Minority		(28.34)	15.27
Profit/ (Loss) attributable to Equity shareholders		672.36	(1,385.32)
Earnings/ (Loss) per equity share (Face Value Rs. 2/- each):	31		
- Basic		4.07	(8.39)
- Diluted		4.01	(8.39)

The accompanying Notes form an integral part of these Consolidated Financial Statements.
This is the Consolidated 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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451
Place : New Delhi
Date : May 10, 2016

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2016

	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Consolidated Profit/(Loss) before Exceptional Items, Tax and share of Associate's profits	58.34	(856.65)
Add/ (Less) :		
Depreciation and Amortisation	491.78	1,072.79
Finance Cost	211.36	138.04
Interest Income	(16.62)	(35.21)
Loss/ (Gain) on Fixed Assets sold	(1.27)	6.88
Dividend Income from Current Investment	(0.12)	(0.46)
Profit on Sale of Current Investment	(0.57)	-
Provision for Doubtful Debts	49.42	48.75
Bad Debts written off	-	4.63
Provision for Doubtful Advances	0.69	3.23
Provision for Unbilled Revenue	54.15	5.30
Provision for Slow/ Non-moving Inventory	7.70	(17.27)
Government Grants	(2.12)	(1.65)
Advances Written off	2.20	0.56
Liabilities/ Provisions no longer required written back	(18.36)	(42.09)
Unrealised Foreign Exchange (Gain)/ Loss	(9.71)	34.79
Employees Stock Option Expenses	-	0.11
Operating profit before Working Capital Changes	768.53	1,218.40
	826.87	361.75
Movements in Working Capital:		
Increase/ (Decrease) Trade Payables	538.45	(94.08)
Increase/ (Decrease) Other Current Liabilities	(57.32)	(54.91)
Increase/ (Decrease) Other Long-Term Liabilities	14.37	(32.50)
Increase/ (Decrease) Provision for Gratuity & Compensated Absences	(8.79)	15.78
Increase/ (Decrease) Provision for Contingency	-	44.57
Increase/ (Decrease) Provision for Indemnity	-	(62.41)
(Increase)/ Decrease Current Trade Receivables	(486.88)	665.10
(Increase)/ Decrease Non Current Trade Receivables	191.08	(756.26)
(Increase)/ Decrease Inventories	(31.72)	24.69
(Increase)/ Decrease Short-Term Loans and Advances	(60.23)	216.51
(Increase)/ Decrease Long-Term Loans and Advances	24.88	(49.00)
(Increase)/ Decrease Other Current Assets	(350.75)	62.59
(Increase)/ Decrease Other Bank Balances	168.45	67.06
(Increase)/ Decrease Other Non-current Assets	(1.04)	49.22
Cash generated from operations	767.37	458.11
Direct Tax- (paid including TDS)/ refund received (net)	(71.56)	(132.27)
Net Cash from Operating activities before Exceptional Items	695.81	325.84
Exceptional Items (Other than those disclosed in movement in working capital)	-	(18.12)
Net Cash from Operating activities (A)	695.81	307.72
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including Capital Work-in-progress, Internally Developed Intangibles and Capital Advances)	(906.89)	(432.36)
Proceeds from sale of Fixed Assets	22.00	61.88
Sale of Mutual Funds	139.14	295.46
Purchase of Mutual Funds	(132.50)	(295.00)
Purchase of Shares in Subsidiary from Minority	(0.37)	(0.44)
Dividend Received	137.69	130.44
Interest Received	23.09	33.21
Net Cash used in Investing activities (B)	(717.84)	(206.81)

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2016

Contd..

	Year ended March 31, 2016 (Rs. Million)	Year ended March 31, 2015 (Rs. Million)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Term Loan raised during the year in Foreign Currency	600.00	1,000.56
Term Loan repaid during the year in Foreign Currency	-	(650.96)
Proceeds from Short Term Borrowings	750.00	137.14
Repayment of Short Term Borrowings	(750.00)	-
Proceeds/ (Payments) relating to Cash Credits (Net)	(80.13)	64.50
Redemption of Non Convertible Debentures	(166.67)	(166.67)
Issue of Shares under ESOP Scheme	16.76	0.05
Interest Paid	(201.70)	(140.70)
Dividend Paid	(3.91)	(263.14)
Dividend Tax Paid	(0.01)	(44.90)
Net Cash from/ (used in) Financing activities (C)	164.34	(64.12)
Net Increase/ (Decrease) in Cash & Cash equivalents (A) + (B) + (C)	142.31	36.79
Adjustment on account of Foreign Exchange Fluctuations	48.70	17.40
Cash and Cash equivalents as at the beginning of the year (Note 1)	660.40	606.21
Cash and cash equivalents as at the end of the year	851.41	660.40

Notes:

1 Cash and Cash equivalents

Balance with banks		
Current Accounts	722.56	517.01
[Includes Rs. 72.48 Million (Previous year Rs. 58.49 Million) pertaining to amount earmarked for specific contract]		
Exchange Earners' Foreign Currency Account	-	0.07
Bank deposits with original maturity of 3 months or less	79.87	113.79
Cheques and drafts on hand	25.74	23.37
Cash on hand	23.24	6.16
	851.41	660.40

- The above Consolidated 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, as amended] and other relevant provisions of the Companies Act, 2013.
- Cash flow from operating activities and investing activities are net of adjustment of Security Deposit with Capital Advances by an amount of Rs. 213.72 Million.
- Figures in parenthesis indicate cash outgo.
- Previous year figures, to the extent feasible, have been regrouped/ recasted wherever necessary to conform to the current year's classification.

The accompanying Notes form an integral part of these Consolidated Financial Statements.

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

For and on behalf of the Board

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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi
Date : May 10, 2016

1 CORPORATE INFORMATION

NIIT Limited ('the Company') is a talent development company which was set up in 1981. NIIT ('the Company') currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of consolidation

- (i) **Subsidiaries:** Subsidiaries are consolidated from the date on which control is transferred to the Parent Company and are not consolidated from the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intra-group balances and intra-group transactions and resulting unrealised profits are eliminated. Details of subsidiaries, which have been considered in these consolidated financial statements are as follows:

Name of Company	Proportion of ownership interest		Country of incorporation
	As at March 31, 2016 %	As at March 31, 2015 %	
1. Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)	100	100	India
2. NIIT Institute of Finance Banking and Insurance Training Limited	80.67	80.30	India
3. NIIT Institute of Process Excellence Limited	75	75	India
4. NIIT Yuva Jyoti Limited	90	90	India
5. NIIT (USA) Inc., USA	100	100	United States
6. NIIT Ventures Inc, USA [Amalgamated with NIIT (USA) Inc, USA w.e.f December 1, 2014]	NA	NA	United States
7. NIIT Limited, UK	100	100	United Kingdom
8. NIIT Antilles NV	100	100	Netherlands Antilles
9. NIIT Malaysia Sdn. Bhd	100	100	Malaysia
10. NIIT GC Limited	100	100	Mauritius
11. NIIT China (Shanghai) Limited	100	100	China
12. NIIT WuXi Service Outsourcing Training School	60	60	China
13. WuXi NIIT Information Technology Consulting Limited	60	60	China
14. Chongqing NIIT Education Consulting Limited	60	60	China
15. Changzhou NIIT Information Technology Consulting Limited	60	60	China
16. Su Zhou NIIT Information Technology Consulting Limited	60	60	China
17. PT NIIT Indonesia (Under Liquidation)	100	100	Indonesia
18. NIIT West Africa Limited	100	100	Nigeria
19. Qingdao NIIT Information Technology Company Limited	100	100	China
20. Chongqing An Dao Education Consulting Limited	65	65	China
21. Zhangjiagang NIIT Information Services Limited	60	60	China
22. Chengmai NIIT Information Technology Company Limited	100	100	China
23. Dafeng NIIT Information Technology Company Limited*	60	NA	China
24. Guizhou NIIT Information Technology Consulting Company Limited*	100	NA	China
25. NIIT Ireland Limited*	100	NA	Ireland
26. NIIT Learning Solutions (Canada) Limited*	100	NA	Canada

* Incorporated during the year ended March 31, 2016.

- (ii) **Associates:** Investments in associate companies are accounted for by using the equity method of accounting whereby the investment is initially recorded at cost except those stated at fair values pursuant to the Scheme (Refer Note 30) with consequential adjustments, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor’s share of net assets of the investee.

The details of associate companies (companies over which the Company exercises significant influence, which have been consolidated on “Equity Method”) are as follows: (Reporting date used for consolidation :- March 31, 2016)

Name of Associate Company	NIIT Technologies Limited Description of Business :- Software Services & Solutions and Integrated Systems	
	As at March 31, 2016	As at March 31, 2015
Proportion of ownership interest and voting power	23.69%	23.74%

Reference in these consolidated financial statements to “the Group” shall mean to include NIIT Limited, its subsidiaries and associate, consolidated in these financial statements, unless otherwise stated.

2.2 Basis of preparation of consolidated financial statements

- (i) These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for assets and liabilities stated at fair values pursuant to Scheme of Arrangement (Refer Note 30) on accrual basis. Pursuant to the section 133 of the Companies Act, 2013, read with the rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the 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, 2013 and/ or 1956.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. 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 and non current classification of assets and liabilities.

The Board of Directors had approved a Composite Scheme of Arrangement (‘the Scheme’) between the Company and its erstwhile wholly-owned subsidiaries Scantech Evaluation Services Limited (‘SESL’), Evolv Services Limited (‘ESL’), NIIT Online Learning Limited (‘NOLL’) (also, collectively referred to as ‘the amalgamating companies’) and Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) and their respective shareholders and creditors under sections 391 to 394 of the Companies Act, 1956. The Scheme was approved by the shareholders and the Hon’ble High Court of Judicature at Delhi (‘the Hon’ble High Court’) on January 31, 2015 and May 8, 2015 respectively. The Scheme was filed with the Registrar of Companies on May 23, 2015 and became effective on the said date. The amalgamation date for the scheme was April 1, 2014.

The Company accounted for the Scheme by applying the purchase method of accounting whereby the assets and liabilities of the amalgamating companies were recognized at fair values in accordance with the applicable accounting standards and generally accepted accounting principles in India. The Company also received the opinion from the Expert Advisory Committee of the Institute of Chartered Accountants of India (‘EAC’), wherein the EAC opined that application of purchase method of accounting would be in compliance with AS 14 and generally accepted accounting principles in India. The particulars with respect to accounting for the Scheme of Arrangement are detailed in Note 30.

2.3 Other significant accounting policies adopted by the Group are detailed below:

i) **Tangible Fixed Assets and Depreciation**

Fixed Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except where they are taken over pursuant to an acquisition at a consolidated price. Individual fixed assets taken over pursuant to an acquisition are recorded at their fair value on the date of acquisition based on valuation carried out by independent valuers.

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 Consolidated Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets which in some cases are higher than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual useful life of the assets.

Description of Assets	Useful Life
Buildings	58 Years
Plant and Equipments including:	
- Computers, Printers and related accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 Years
- Air Conditioners	10 Years
Office Equipments	5 Years
Furniture, Fixtures & Electric Fittings	7 Years
Leasehold Improvements	3-5 years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 Years
Assets acquired under lease (Included under Plant & Equipment and Furniture & Fixtures)	Lease Period or useful life, whichever is shorter
All other assets (including Vehicles)	Rates prescribed under Schedule II to the Companies Act, 2013

Fixed Assets purchased for utilisation in implementing certain contractual obligations with the customers under a project are depreciated over the period of the contract or useful life assessed as above, whichever is shorter.

ii) **Intangible Fixed Assets and Amortisation**

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". Expenses incurred during the research phase till the establishment of commercial feasibility is charged to the Consolidated Statement of Profit and Loss. Intangible Fixed Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets determined as follows: -

Particulars	Useful life
a) Internally Generated (Software, Content and Products)	
- School based non - IT content	10 Years
- Others	3-5 Years
b) Acquired (Software, Contents and Products)	3-5 Years
c) Patents	3-5 Years
d) Goodwill (Other than arising on consolidation)	5 Years

Further, educational content and software are technically evaluated each year for any impairment triggers as per Accounting Standard 28, "Impairment of Assets". The unamortised amount of the asset, after any provision for impairment, is charged to Consolidated Statement of Profit and Loss as amortisation over their remaining useful life.

iii) Impairment of Assets

All assets other than inventories, investments 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) Goodwill on Consolidation

The excess/ deficit of the cost of the investment in subsidiaries over its respective share of net worth (residual interest in the assets of the subsidiaries after deducting all its liabilities) of the subsidiaries at the date of investment in the subsidiaries is treated as goodwill/ capital reserve in the consolidated financial statements. The value of goodwill arising on consolidation is reviewed for impairment at the end of each accounting year.

v) Investments

Long-term investments are carried at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognised and charged to Consolidated Statement of Profit and Loss. Short-term investments are carried at cost or market value, whichever is lower. Investments in Associates are accounted for based on "Equity Method" in accordance with provisions of Accounting Standard 23, "Accounting for Investments in Associates" in Consolidated Financial Statements and other relevant provisions of the Companies Act, 2013.

vi) Inventories

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.

vii) Revenue Recognition

Revenue in respect of sale of courseware including technical information and reference material and other goods is recognised when the significant risk and rewards of ownership in it are transferred to the buyer as per the terms of the contracts which coincides with dispatch/ delivery of the material to the customer as per trade practice and agreed terms whereas the revenue from the tuition activity/ training is recognised over the period of the course programs as the case may be.

Revenue from time and material contracts is recognised on a man month basis. In respect of fixed price contracts, revenue is recognised based on proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of the services and are recognised net of service tax. The foreseeable losses on completion of contract, if any, are provided for.

The Group undertakes fixed price projects for supply/ installation/ maintenance of hardware & infrastructure set-up, providing educational product and educational services. Revenue from initial project set up activities & development of products under such contracts is recognised under proportionate completion method. The revenue in such contracts from sale of hardware is recognised on delivery of the hardware when substantial risks and rewards of ownership in such hardware passes to the customer based on contractual terms of the respective contracts. Deferred Revenue represents amounts billed to customers in advance for products, services or subscriptions for which revenue is yet to be recognised.

Revenue from recruitment services is recognised on placement of candidate with the client as per the terms of the contract. Revenue from assessment of personnel is recognised on completion of the assessment as per the terms of the contract.

In respect of sale and lease back transactions, revenue is recognised on delivery of the product. Gain on sale on such transactions is recognised in the Statement of Profit and Loss over the lease period of the respective product. Revenue is net of trade discounts and applicable taxes.

viii) Other Income

- a) Dividend income is recognised when the right to receive dividend is established.
- b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

ix) Employee Benefits**Gratuity**

The Group 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. Group'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 the Company with Life Insurance Corporation of India (LIC) is charged/ credited to the Consolidated Statement of Profit and Loss.

Liability for certain entities which are not funded through the Trust maintained with Life Insurance Corporation of India, is actuarially determined at the end of the year using projected unit credit method and provided for.

Actuarial losses/ gains are charged/ credited to the Consolidated Statement of Profit and Loss in the year in which such losses/ gains arise.

Compensated Absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Group has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Consolidated Statement of Profit and Loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

Superannuation

The Group makes defined contribution, in respect of employees based in India, to the Trust established for the purpose by the Company towards superannuation fund maintained with Life Insurance Corporation of India. The Group has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Consolidated Statement of Profit and Loss.

Provident Fund

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" for certain entities in India, which is a defined benefit plan to the extent that 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 Group's obligation in this regard is actuarially determined using projected unit credit method 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. The Group's contribution towards Provident Fund is charged to Consolidated Statement of Profit and Loss.

For employees of other entities not covered above provident fund contributions are made to the Regional Provident Fund Commissioner in accordance with the Employee Provident Fund Rules and are accounted as defined contribution plans and charged to Consolidated Statement of Profit and Loss.

Pension Fund

The Group makes defined contribution to a government administered pension fund towards its pension plan on behalf of its employees. The Group has no further obligations beyond its monthly contributions and additionally, the contribution towards Employee Pension Scheme is charged to Consolidated Statement of Profit and Loss.

Overseas Plans

In respect of the subsidiaries incorporated outside India, the subsidiaries make defined contributions on a monthly basis towards the respective retirement plans which are charged to Consolidated Statement of Profit and Loss. These subsidiaries have no further obligation towards the respective retirement benefits.

National Pension System

The Group makes defined contribution towards National Pension System for certain employees for which Group has no further obligation. Contributions made during the year are charged to Consolidated Statement of Profit and Loss.

x) Employees Stock Option Plan (ESOP)

Equity settled stock options are accounted for being intrinsic value method, whereby the excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Consolidated Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to General Reserve equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the un-amortised portion. The balance in employee stock option outstanding account, net of any un-amortised deferred employee compensation, is shown separately as part of reserves and surplus.

xi) Foreign Currency Transactions/ Translation

Transactions in foreign currency (currency other than companies' reporting currency) are booked at standard rates determined periodically, which approximates the actual rate, and all monetary assets and liabilities in foreign currency are restated at the end of the accounting year. Gain/ loss arising out of fluctuations on realisation/ payment or restatement is credited/ charged respectively, to the Consolidated Statement of Profit and Loss.

Foreign currency assets/ liabilities covered by forward contracts are stated at the forward contract rate and difference between the forward rate and the exchange rate at the inception of the forward contract is recognised to the Consolidated Statement of Profit and Loss over the life of the contract except to the extent on which accounting policy on derivative instruments and hedge accounting as detailed in (xii) below.

For the purposes of consolidation, in case of subsidiaries for which operations are considered as non-integral in nature, the assets and liabilities are translated at the year-end exchange rate and income and expenditure items are translated at predetermined rates that approximate the exchange rate prevailing on the date of the transaction. The resultant translation adjustment is reflected as a separate component of Shareholders' Funds as 'Currency Translation Reserve'. Upon dissolution/ disposal including buy back of equity, whether wholly or partially, of non-Indian subsidiaries, the proportionate balance in Currency Translation Reserve in relation to those subsidiaries is transferred to Consolidated Statement of Profit and Loss.

In case of foreign operations which are integral in nature, financial statements are translated as if all its transactions had been entered into by the company itself. Non-monetary assets and income and expenditure items are translated at the rates that approximate the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at year-end exchange rate. The resultant translation adjustment is charged to the Consolidated Statement of Profit and Loss.

xii) Derivative Instruments and Hedge Accounting

In accordance with its risk management policies and procedures, the Group Company uses derivative instruments to hedge its risks associated with foreign currency fluctuations. The derivatives that qualify for hedge accounting and designated as cash flow hedges are initially measured at fair value & are remeasured at a subsequent reporting date and the changes in the fair value of the derivatives i.e. gain or loss is recognised directly in Shareholders' Funds under hedging reserve to the extent considered highly effective. Gain or loss on derivative instruments that either does not qualify for hedge accounting or not designated as cash flow hedges or designated cash flow hedges to the extent considered ineffective are recognised in the Consolidated Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, sold, terminated, exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss on the hedging instrument recognised in Shareholder's Funds under hedging reserve is retained there until the transaction occurs subsequent to which the same is adjusted against the related transaction. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Shareholder's Fund is transferred to Consolidated Statement of Profit and Loss in the same period.

xiii) Leases

The Lease rental in respect of operating lease arrangements are charged to expense on straight line basis as per the terms of the related agreements.

Finance lease transactions are considered as financing arrangements in accordance with Accounting Standard 19 "Leases" and the leased asset is capitalised at an amount equal to the present value of future lease payments and a corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to the leased asset.

xiv) Borrowing Cost

Borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. Ancillary costs in connection with the arrangement of borrowings are amortised over the period of respective loan.

xv) 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 taxation laws prevailing in the respective jurisdiction. Minimum Alternate Tax (MAT) paid in excess of normal income tax is recognised as asset (MAT Credit entitlement) only to the extent, there is reasonable certainty that the Company shall be liable to pay tax as per the normal provisions of the Act in future. MAT Credit is utilised in the year when normal income tax is higher than the Minimum Alternate Tax (MAT).

Deferred Tax Asset (DTA) is recognised for all timing differences, subject to consideration of prudence in respect of DTA. DTA are recognised and carried forward only to the extent that there is reasonable certainty of realisation of such timing differences.

In situations, where the Company has unabsorbed depreciation or carry forward losses under the law, all deferred tax assets are recognised to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

xvi) Provisions and Contingencies

The Group 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. Disclosure of show cause notices are made on merits of the matters where management foresees possibilities of outflow of resources.

Further, the proportionate share of contingent liabilities of associate companies are disclosed as per the provisions of Accounting Standard 23 "Accounting for Investments in Associates" in Consolidated Financial Statements.

xvii) Earnings Per Share

The earnings considered in ascertaining the 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.

xviii) Cash and Cash Equivalents

In the Consolidated Cash Flow Statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(Rs. Million)

	As at	
	March 31, 2016	March 31, 2015
3 SHARE CAPITAL		
Authorised		
393,000,000 Equity Shares of Rs. 2/- each	786.00	500.00
(Previous year 250,000,000 Equity Shares of Rs. 2/- each		
13,600,000 Equity Shares of Rs. 10/- each	-	136.00
150,000,000 Equity Shares of Re. 1/- each	-	150.00
2,500,000 Redeemable Preference Shares of Rs.100/- each	250.00	250.00
(Previous year 2,500,000 Redeemable Preference Shares of		
Rs.100/- each)		
350,000,000 8.5% Cumulative Redeemable Preference		
Shares of Re. 1/- each *	350.00	350.00
(Previous year 350,000,000 8.5% Cumulative Redeemable		
Preference Shares of Re. 1/- each)		
* Pursuant to the Scheme of Arrangement, (Refer Note 30)		
	<u>1,386.00</u>	<u>1,386.00</u>
Issued		
165,507,233 Equity Shares of Rs. 2/- each	331.01	330.35
(Previous year 165,176,597 Equity Shares of Rs. 2/- each)		
	<u>331.01</u>	<u>330.35</u>
Subscribed and Paid-up		
165,501,233 Equity Shares of Rs. 2/- each	331.00	330.34
(Previous year 165,170,597 Equity Shares of Rs. 2/- each)		
Add: Forfeited Shares (amount originally paid-up)	0.01	0.01
	<u>331.01</u>	<u>330.35</u>

3.1 Reconciliation of the number of shares outstanding

As at

	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Equity Shares				
Shares outstanding at the beginning of the				
year	165,170,597	330.34	165,145,597	330.29
Shares Issued during the year	330,636	0.66	25,000	0.05
Shares outstanding at the end of the year	<u>165,501,233</u>	<u>331.00</u>	<u>165,170,597</u>	<u>330.34</u>

3.2 Rights, preferences and restrictions attached to shares:

Equity Shares: The Company has one class of equity shares having a par value of Rs. 2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3 Shares held by each shareholder holding more than 5% shares in the Company

As at

	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	% of holding	No. of shares	% of holding
Pace Industries Private Limited	25,366,521	15.33%	23,503,913	14.23%
Global Solutions Private Limited	25,915,838	15.66%	22,527,346	13.64%
Total	<u>51,282,359</u>	<u>30.99%</u>	<u>46,031,259</u>	<u>27.87%</u>

3.4 Shares reserved for issue under Employee Stock Option Plan (ESOP) in the Company

	As at			
	March 31, 2016		March 31, 2015	
	No. of shares	Rs. Million	No. of shares	Rs. Million
Equity shares (For details refer Note 25)	6,086,256	12.17	3,717,081	7.43
Total	6,086,256	12.17	3,717,081	7.43

(Rs. Million)

4 RESERVES AND SURPLUS

	As at			
	March 31, 2016		March 31, 2015	
Capital Reserve				
Opening Balance	5,172.27		58.54	
Less: Adjustment on Amalgamation (Footnote 2)	-		(2.54)	
Add: Capital Reserve (on amalgamation) (Footnote 2)	-		5,172.28	
Less: Reversal of Capital Reserve on account of reduction on Preference share capital (Refer Note 29)	-		(56.00)	
Add: Share in Capital Reserve of Associate	-	5,172.27	(0.01)	5,172.27
Securities Premium Reserve				
Opening Balance	552.72		593.32	
Less: Adjustment on Amalgamation (Footnote 2)	-		(55.47)	
Add: Additions during the year on account of exercise of ESOP's	16.10		1.07	
Add: Share in Security Premium of Associate	9.33	578.15	13.80	552.72
Debenture Redemption Reserve				
Opening Balance	41.67		77.38	
Less: Transferred to General Reserve	(41.67)		(41.67)	
Add: Transferred from Consolidated Statement of Profit and Loss	-	-	5.96	41.67
Employees Stock Option Outstanding				
ESOP Outstanding	-		2.16	
Add: Employees Stock Option granted during the year	-		-	
Less: Transferred to securities premium reserve on ESOP exercised	-		(1.07)	
Less: Transferred to General Reserve	-		(1.08)	
Less: Deferred Compensation Expense	-	-	(0.01)	-
General Reserve (Foot Note 1)				
Opening Balance	1,041.83		1,059.44	
Add/ (Less): Share in General Reserve of Associate	2.91		(17.08)	
Less: Adjustment on Amalgamation (Footnote 2)	-		(42.49)	
Add : Transferred from Debenture Redemption Reserve	41.67		41.67	
Add : Transferred from Employee Stock Option Outstanding	-		1.08	
Add : Transferred from Surplus in Consolidated Statement of Profit and Loss	0.88	1,087.29	(0.79)	1,041.83

			(Rs. Million)	
			As at	
	March 31, 2016		March 31, 2015	
Hedging Reserve Account (Debit Balance) [Refer Note 43]				
Opening Balance	(35.97)		18.10	
Less: Adjustment on Amalgamation (Footnote 2)	-		(21.09)	
Add: Impact of restatement of derivative	(60.51)		69.75	
Add: Impact of restatement of interest	3.27		1.01	
Add: Movement in Derivative Instrument Fair Value Asset/ (Liability)	40.34		(113.72)	
Add: Share in Hedging Reserve of Associate	<u>1.47</u>	(51.40)	<u>9.98</u>	(35.97)
Surplus in Consolidated Statement of Profit and Loss				
Balance Brought Forward from Previous year	(108.44)		3,966.94	
Less: Adjustment on Amalgamation (Footnote 2)	-		(2,597.20)	
Add : Current year profit attributable to Shareholders	672.36		(1,385.32)	
Less : Transitional impact consequent to change in useful lives of tangible fixed assets	-		(59.66)	
Less: Appropriations				
Transferred to General Reserve	(0.88)		0.79	
Transferred to Debenture Redemption Reserve	-		(5.96)	
Share in Corporate Dividend Tax of Associate	<u>(29.50)</u>	533.54	<u>(28.03)</u>	(108.44)
Government Grant - Fund				
Opening Balance	4.41		6.06	
Less : Income recognised during the year	<u>(2.12)</u>	2.29	<u>(1.65)</u>	4.41
Currency Translation Reserve				
Opening Balance	298.32		630.05	
Less : Adjustment on Amalgamation (Footnote 2)	-		(201.01)	
Add : Share in Currency Translation Reserve of Associate	51.92		(47.45)	
Less : Reversal on account of repurchase of shares by subsidiary	-		(107.86)	
Add : Increase during the year on translation of balances	<u>47.46</u>	397.70	<u>24.59</u>	298.32
Total		<u>7,719.84</u>	<u>6,966.81</u>	

Footnotes :

- 1 General Reserve represents requirement to transfer specific sums to a General Reserve as per the local laws of the jurisdiction.
- 2 Refer Note 30 in respect of adjustments of reserves consequent to the Scheme.

(Rs. Million)

5 MINORITY INTEREST	As at	
	March 31, 2016	March 31, 2015
Opening Balance	60.32	76.03
Less : Dividend Paid to Minority	(2.86)	-
Less: Decrease in Minority Share due to purchase from minority	(0.37)	(0.44)
Add/ (Less): Minority Share in Profit/ (Loss) of current year	28.34	(15.27)
[Minority Share of loss of the subsidiary companies in excess of their interest Rs. 1.97 Million (Previous year Rs. 14.72 Million) has been absorbed by the Majority Shareholders]		
Balance at the end of the year	85.43	60.32

(Rs. Million)

6 LONG-TERM BORROWINGS	As at			
	March 31, 2016 Non-Current Portion	March 31, 2015	March 31, 2016 Current Maturities	March 31, 2015
A) SECURED				
i) Non Convertible Debentures	-	-	-	166.67
ii) Term Loans from Banks:				
- Foreign Currency Term Loan	1,661.08	1,000.56	-	-
iii) Term Loans from Others	142.64	142.64	-	-
Sub Total (A)	1,803.72	1,143.20	-	166.67
B) UNSECURED				
i) Finance Lease Obligation	-	4.59	-	14.47
Sub Total (B)	-	4.59	-	14.47
Amount disclosed under the head "Other Current Liabilities" (Refer Note 9) (C)	-	-	-	(181.14)
Total (A+B+C)	1,803.72	1,147.79	-	-

6.1 Details of security given against Loans

- i) The Holding company has availed foreign currency loan for INR 600 Million equivalent of USD 9.05 Million from Citibank N.A, India branch which was simultaneously fully hedged by converting it from the floating rate USD Loan into fixed rate INR loan through USD INR currency Swap at a Spot reference (USD INR) of USD 1 = INR 66.30, through full maturity of the loan. The rate of interest on fully hedged equivalent amount is fixed at 10.25% p.a for the tenure of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future, capital advances paid for info-city building at Sector-34 Gurgaon and first exclusive charge on certain Immovable properties of the Holding Company.
The necessary formalities to create the security are under process as at the year end, as per the terms of agreement subsequent to the said loan.
- ii) The Holding company has availed foreign currency loan for INR 1000 Million equivalent of USD 16.05 Million from Citibank N.A, India branch which was simultaneously fully hedged by converting it from the floating rate USD loan into fixed rate INR loan through a USD INR currency Swap at a Spot reference(USD INR) of USD 1 = INR 62.30, through full maturity of the loan. The rate of interest on fully hedged equivalent amount is fixed at 10.25% p.a for the tenure of the loan. The said loan is secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future land and building of the company at Sector-32 Gurgaon & capital advances paid for info-city building at Sector-34 Gurgaon. The necessary formalities to create the security has been completed, as per the terms of the agreement.
- iii) The Holding Company has repaid NCDs during the year and the charge on assets has been vacated.
- iv) Term Loan from others comprises loan availed by NIIT Yuva Jyoti Limited (NYJL) from National Skill Development Corporation (NSDC) and 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 both present and future whether installed or lying loose, of NYJL. The entire loan amount is also covered by a corporate guarantee from the Holding Company, NIIT Limited.

6.2 Terms of repayment

(i) Foreign Currency Term Loan for USD 9.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
July 20, 2020	1.50	99.83
April 20, 2020	1.51	99.81
January 20, 2020	1.51	99.81
July 20, 2019	1.51	99.81
January 20, 2019	1.51	99.81
July 20, 2018	1.51	99.81
	<u>9.05</u>	<u>598.88</u>

(ii) Foreign Currency Term Loan for USD 16.05 Million is repayable as follows:

Repayment Dates	(USD Million)	(Rs.Million)*
June 5, 2019	3.21	212.44
April 5, 2019	3.21	212.44
October 5, 2018	3.21	212.44
April 5, 2018	3.21	212.44
October 5, 2017	3.21	212.44
	<u>16.05</u>	<u>1,062.20</u>

*Rupee Equivalent as at the year end

(iii) Term Loan from others is repayable in installments over a period of 10 years upto March 31, 2022 after the initial moratorium period upto March 31, 2017. Loan was interest free for period upto March 31, 2015 and thereafter, interest is chargeable at the rate of 7.5% p.a.

(iv) Finance Lease Obligation is repayable in equated monthly installments during the tenure of lease.

7 SHORT TERM BORROWINGS	As at	
	March 31, 2016	March 31, 2015
SECURED		
From Banks - Cash Credit	-	80.13
Working Capital Loan	145.59	137.14
Total	<u>145.59</u>	<u>217.27</u>

7.1 Details of Security given against Loans

i) Cash Credit Limits and Working Capital Loan are secured by hypothecation of stocks and book debts of the Company and Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) .

ii) The Group has availed working capital facility of USD 7.50 Million (INR 496.31 Million) (@ Libor + 2.50% per annum) with Bank of West in NIIT USA Inc. (USA).

8 TRADE PAYABLES	As at	
	March 31, 2016	March 31, 2015
Sundry Creditors	1,977.85	1,439.40
	<u>1,977.85</u>	<u>1,439.40</u>

9 OTHER LIABILITIES	(Rs. Million)			
	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-Term		Current	
Current Maturities of Long Term-Borrowings (Refer Note 6)	-	-	-	181.14
Interest accrued but not due on borrowings	-	-	11.14	4.75
Unpaid dividends *	-	-	9.49	10.54
Security Deposits Payable	19.01	0.61	164.53	0.85
Deferred Revenue	0.31	0.75	33.66	47.31
Advances from Customers	20.34	46.15	330.31	495.83
Statutory Dues	-	-	155.57	130.47
Derivative instrument fair value liability (Refer Note 43)	-	-	7.09	47.43
Other Payables ** (Refer Note 37)	24.78	2.56	366.16	377.20
	64.44	50.07	1,077.95	1,295.52

* There are no amounts due for payment to the Investor Protection Fund as at the year end.

** Includes capital creditors and payable to employees.

10 PROVISIONS	(Rs. Million)			
	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-Term		Short-Term	
Provision for Employee Benefits (Refer note 24):				
-Provision for Gratuity	-	-	29.51	28.58
-Provision for Compensated Absences	3.64	4.14	85.41	94.63
Provision for Corporate Dividend Tax	-	-	-	0.01
Provision for indirect tax under litigation (Refer Note 29)*	-	-	44.57	44.57
	3.64	4.14	159.49	167.79

*An amount of Rs. 22.22 Million which has been deposited, against the demand which has been disclosed under Note 14 as Advances recoverable in cash or kind (Short-term).

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Contd..

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As on 01.04.2015	Additions during the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2016	As on 01.04.2015	Charge For the Year	Sales / Adj. during the Year	Translation Adjustment increase / (decrease)	Total As on 31.03.2016	As on 31.03.2016
11 FIXED ASSETS											
Tangible											
Land - Freehold (Footnote i)	20.92	-	-	-	20.92	-	-	-	-	-	20.92
Building (Footnote ii)	209.90	-	-	-	209.90	44.26	3.68	-	0.01	47.95	161.95
Plant & Equipments (Footnote v)	1,529.23	143.14	103.33	11.78	1,580.82	1,212.58	166.90	94.36	6.74	1,291.86	288.96
- Owned	404.47	54.95	65.44	(0.31)	393.67	327.74	69.05	64.22	0.05	332.62	61.05
Leasehold Improvements											
Furniture & Fixtures	278.61	12.46	40.47	4.19	254.79	218.76	25.71	38.95	1.18	206.70	48.09
- Owned	0.11	-	0.03	-	0.08	0.11	-	0.03	-	0.08	-
- Leased											
Vehicles	41.43	1.73	14.13	0.35	29.38	19.12	4.54	5.31	0.20	18.55	10.83
Office Equipments	146.49	1.66	8.38	(0.12)	139.65	125.91	12.81	8.27	(0.08)	130.37	9.28
- Owned	0.03	-	-	-	0.03	0.03	-	-	-	0.03	-
- Leased											
Sub Total (a)	2,631.19	213.94	231.78	15.89	2,629.24	1,948.51	282.69	211.14	8.10	2,028.16	601.08
Intangible											
Educational Content/ Products											
- Acquired	94.69	-	-	-	94.69	94.69	0.07	-	(0.07)	94.69	-
- Internally Generated (Footnote iii & iv below)	1,518.29	142.68	-	8.84	1,669.81	1,206.94	125.15	-	4.72	1,336.81	333.00
- Leased	119.65	-	-	-	119.65	119.65	-	-	-	119.65	-
Software											
- Acquired	2,050.71	117.18	0.92	55.63	2,222.60	1,943.11	83.87	0.83	60.39	2,086.54	136.06
Patents	16.14	-	-	-	16.14	16.14	-	-	-	16.14	-
Goodwill on Consolidation	4.65	1.06	-	-	5.71	1.50	-	-	-	1.50	4.21
Goodwill	167.69	-	-	8.27	175.96	167.69	-	-	-	175.96	-
Sub Total (b)	3,971.82	260.92	0.92	72.74	4,304.56	3,549.72	209.09	0.83	73.31	3,831.29	473.27
Total (a + b)	6,603.01	474.86	232.70	88.63	6,933.80	5,498.23	491.78	211.97	81.41	5,859.45	1,074.35
Intangible assets under development (refer footnote iii)											17.33

Footnotes:

- Out of the total land as above, 25 acres of land amounting Rs. 6.52 Million at Tehsil Behror, District Alwar is allotted for education purpose. This land cannot be transferred without the approval of the allotment authority.
- Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vija Co-operative Housing Society Limited.
- Refer Note 33 for cost incurred during the year on internally generated intangible assets.
- Intangible includes content and software products (tools and platform) whose remaining amortisation period is 1 to 6 years. However none of these are individually material to the financial statements as whole.
- Depreciation charge for the year includes provision for impairment of content/ products of Rs. 2.66 Million. The group has computed the recoverable value using the value in use method and has considered a discount rate of 14% to 18.00%.
- During the year, the opening block of Plant & Equipment-Leased aggregating Rs. 34.08 Million has been regrouped in Plant and Equipment-Owned along with the corresponding opening Accumulated Depreciation aggregating Rs. 21.52 Million.

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Contd..

11A. FIXED ASSETS SCHEDULE AS AT MARCH 31, 2015

(Rs. Million)

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK			
	As on 01.04.2014	Additions during the Year	Sales / Adj. during the Year	Adjustment on account of Assets held for sale	Translation Adj. / (decrease)	Total As on 31.03.2015	Charge For the Year	Sales / Adj. during the Year	Adjustment on account of Assets held for sale	Translation Adj. / (decrease)	Total As on 31.03.2015	As on 31.03.2015
Tangible												
Land - Freehold (Footnote i)	20.92	-	-	-	-	20.92	-	-	-	-	-	20.92
Building (Footnote ii)	209.90	-	-	-	-	209.90	3.45	-	-	(0.01)	44.26	165.64
Plant & Equipments	1,696.94	55.32	254.07	13.37	6.33	1,491.15	250.61	238.40	9.46	3.30	1,191.06	300.09
- Owned	36.84	-	-	-	1.24	38.08	8.36	-	-	0.64	21.52	16.56
Leasehold Improvements	460.24	24.95	80.76	-	0.04	404.47	83.11	73.10	-	0.04	327.74	76.73
Furniture & Fixtures	280.46	27.70	29.65	2.51	2.61	278.61	69.71	27.73	1.73	1.23	218.76	59.85
- Owned	0.12	-	-	-	(0.01)	0.11	0.12	-	-	(0.01)	0.11	-
- Leased	43.55	4.57	6.88	-	0.19	41.43	7.14	4.71	-	0.15	19.12	22.31
Vehicles	155.33	2.53	8.14	3.40	0.17	146.49	53.69	7.89	1.81	0.12	125.91	20.58
- Owned	0.04	-	0.01	-	-	0.03	0.04	0.01	-	-	0.03	-
- Leased	155.29	2.53	8.13	3.40	0.17	146.46	53.65	7.88	1.81	0.12	125.88	20.58
Total	2,904.34	115.07	379.51	19.28	10.57	2,631.19	476.07	351.84	13.00	5.46	1,948.51	682.68
Amount transferred to Retained Earnings (Footnote vi)*	-	-	-	-	-	-	(59.66)	-	-	-	-	-
Sub Total (a)	2,904.34	115.07	379.51	19.28	10.57	2,631.19	416.41	351.84	13.00	5.46	1,948.51	682.68
Intangible												
Educational Content/ Products	94.69	-	-	-	-	94.69	21.47	-	-	(0.27)	94.69	-
- Acquired (Footnote iii below)	-	-	-	-	-	-	-	-	-	-	-	-
- Internally Generated (Footnote iii, iv & v below)	1,243.90	267.01	-	-	7.38	1,518.29	454.11	-	-	4.91	1,206.94	311.35
- Leased	119.65	-	-	-	-	119.65	14.63	-	-	-	119.65	-
Software	1,994.06	35.12	11.68	-	33.21	2,050.71	132.36	10.86	-	33.89	1,943.11	107.60
- Acquired	16.14	-	-	-	-	16.14	0.42	-	-	(0.01)	16.14	-
Patents	44.92	-	40.27	-	-	4.65	1.50	-	-	-	1.50	3.15
Goodwill on Consolidation (Footnote vii)	129.39	33.39	-	-	4.91	167.69	33.39	-	-	4.91	167.69	-
Sub Total (b)	3,642.75	335.52	51.95	-	45.50	3,971.82	656.38	10.86	-	43.43	3,549.72	422.10
Total (a + b)	6,547.09	450.59	431.46	19.28	56.07	6,603.01	1,072.79	362.70	13.00	48.89	5,498.23	1,104.78
Intangible assets under development (refer footnote iv)												36.39

Footnotes:

- Out of the total land as above, 25 acres of land amounting Rs. 6.52 Million at Telsil Behror, District Alwar is allotted for education purpose. This land cannot be transferred without the approval of the allotment authority.
- Gross Block of Building includes 10 shares of Rs. 50/- each in the Guru Vija Co-operative Housing Society Limited.
- Depreciation charge for the year includes provision for impairment of content/ products of Rs. 367.82 Million. The group has computed the recoverable value using the value in use method and has considered a discount rate of 13.50% to 18.00%.
- Refer Note 33 for cost incurred during the year on internally generated intangible assets.
- Intangible includes content and software products (tools and platform) whose remaining amortisation period is 1 to 7 years. However none of these are individually material to the financial statements as whole.
- Depreciation for the year includes an amount of Rs. 59.66 Million charged through retained earnings on account of revision in estimated useful life of fixed asset as per rates prescribed under Schedule II to the Companies Act, 2013.
- Reversal of Goodwill on Consolidation amounting to Rs. 40.27 Million is on account of Amalgamation of Subsidiary (Refer Note 30).

(Rs. Million)

12 INVESTMENTS

	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non-Current		Current	
A. TRADE (QUOTED)				
In Associate				
NIIT Technologies Limited *				
- Net Assets Value (Opening Value)	3,384.01	3,312.45	-	-
- Fair Valuation Adjustment*	1,874.45	1,874.45	-	-
- Share / (Adjustment) in Post Acquisition Reserves	36.13	(68.79)	-	-
- Share of Associate's net profit	663.24	270.79	-	-
- Dividend Received	(137.69)	(130.44)	-	-
Sub Total (A)	5,820.14	5,258.46	-	-
* Consequent to the accounting of the Scheme by recording assets and liabilities at fair values by applying the Purchase Method, the difference between the fair values of the investment acquired and proportionate share of the net assets value, as at the appointed date, was recognised as Fair Value Adjustment. Refer Note 30 for details.				
B. NON TRADE [UNQUOTED]				
In Mutual Fund, Debts and Money Market Securities				
Opening Investment	-	-	5.95	3.51
Fair Valuation Adjustment	-	-	-	2.44
Add : Purchases	-	-	132.50	295.00
Less : Sales	-	-	(138.45)	(295.00)
[Fair Market value as at year end Nil (Previous year Rs.6.43 Million)]				
Sub Total (B)	-	-	-	5.95
Total (A + B)	5,820.14	5,258.46	-	5.95

13 TAXATION

(I) Geography :- India

- (a) The Holding Company has filed revised Return of Income for financial year ended March 31, 2014, an amount of Rs. 0.47 Million. has been credited to the Consolidated Statement of Profit and loss on account of change in tax liability. Further there is reversal of MAT Credit amounting to Rs. 0.06 Million. Net impact of these changes amounting to Rs. 0.41 Million has been credited to the Consolidated Statement of Profit and loss account during the year.
- (b) Detailed break-up of Deferred Tax Assets/ (Liabilities) are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2016	March 31, 2015
Deferred Tax (Liability):		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	-	-
Total (A)	-	-
Deferred Tax Assets:		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	115.85	166.12
Provision for doubtful debts and advances	264.20	276.45
Provision for non-moving inventories	1.89	3.77
Provision for Employee Benefits	34.10	30.80
Others	-	0.34
Total (B)	416.04	477.48
Timing differences not recognised on account of prudence (C)	312.26	373.70
Net Deferred Tax Assets/ (Liabilities) (A+B-C)	103.78	103.78

(II) Geography :- USA

(a) Provision for tax for earlier years relates to tax impact (credit) aggregating to Rs. 6.50 Million (Previous year Rs. 2.05 Million).

(b) Detailed break-up of Deferred Tax Assets/ Liabilities are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2016	March 31, 2015
Deferred Tax Liabilities:		
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	(58.75)	(37.83)
Total (A)	(58.75)	(37.83)
Deferred Tax Assets:		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under Income Tax:		
-Provision for doubtful debts and advances	-	-
-Provision for Compensated Absences, Bonus, Gratuity and other related timing differences	10.07	8.27
-Others	(0.06)	0.24
-Unabsorbed losses	12.30	-
Total (B)	22.31	8.51
Net Deferred Tax Assets/ (Liabilities) (A+B)	(36.44)	(29.32)

(III) Geography :- UK

(a) Detailed break-up of Deferred Tax Assets/ Liabilities are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2016	March 31, 2015
Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the Income Tax calculation.	-	-
Total (A)	-	-
Deferred Tax Assets:		
-Others	1.47	2.71
Total (B)	1.47	2.71
Net Deferred Tax Assets/ (Liabilities) (A + B)	1.47	2.71

(IV) Geography :- China & Others

(a) Detailed break-up of Deferred Tax Assets/ Liabilities are as follows:

(Rs. Million)

Deferred Tax Assets/ (Liabilities)	As at	
	March 31, 2016	March 31, 2015
Deferred Tax Liabilities:		
Others	(10.45)	(8.93)
Total (A)	(10.45)	(8.93)
Deferred Tax Assets:		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under Income Tax:		
-Provision for doubtful debts and advances	21.32	19.90
-Provision for Compensated Absences, Bonus, Gratuity and other timing differences	20.66	18.55
-Provision for Inventory	1.20	1.18
-Deferred Revenue	3.48	1.74
Total (B)	46.66	41.37
Net Deferred Tax Assets/ (Liabilities) (A+B)	36.21	32.44
Deferred Tax Assets (I+III+IV)	141.46	138.93
Deferred Tax (Liabilities) (II)	(36.44)	(29.32)

Notes :

- (i) Deferred Tax expense has been recognised in Consolidated Statement of Profit and Loss amounting to Rs. 3.67 Million (net of Currency Translation Reserve Rs.0.92 Million) (Previous year Deferred Tax Credit amounting to Rs. 34.97 Million (net of Currency Translation Reserve (Rs. 0.35) Million).
- (ii) Deferred Tax Assets and Liabilities are offset to the extent they relate to taxes on income levied by the same governing taxation laws.
- (iii) Deferred Tax Asset on long term capital loss has not been recognised in absence of virtual certainty of availability of long term capital gains.

(Rs. Million)

14 LOANS AND ADVANCES

	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-Term		Short-Term	
i) Capital Advances				
Unsecured, considered good	669.55	5.73	-	-
(A)	<u>669.55</u>	<u>5.73</u>	<u>-</u>	<u>-</u>
ii) Security Deposits Receivable				
Unsecured, considered good	72.42	307.98	47.75	48.73
Unsecured, considered doubtful	5.05	5.05	-	-
Less: Provision for doubtful Deposits	(5.05)	(5.05)	-	-
(B)	<u>72.42</u>	<u>307.98</u>	<u>47.75</u>	<u>48.73</u>
iii) Advances recoverable in cash or in kind				
Unsecured, considered good	0.46	3.58	461.87	403.47
Unsecured, considered doubtful	111.44	109.53	-	-
Less: Provision for doubtful advances	(111.44)	(109.53)	-	-
(C)	<u>0.46</u>	<u>3.58</u>	<u>461.87</u>	<u>403.47</u>
iv) Other Advances				
a) Advance payment of Fringe Benefit Tax	92.77	92.77	-	-
Less: Provision for Fringe Benefit Tax	(91.66)	(91.66)	-	-
	<u>1.11</u>	<u>1.11</u>	<u>-</u>	<u>-</u>
b) Advance Income Tax	1,398.11	1,298.93	128.68	180.25
Less : Provision for Income Tax	(921.16)	(887.92)	(11.74)	(13.18)
	<u>476.95</u>	<u>411.01</u>	<u>116.94</u>	<u>167.07</u>
c) MAT Credit entitlement				
- Opening Balance	82.02	79.43	45.55	43.89
- Reversal of MAT credit	(0.06)	(1.30)	-	-
- Addition during the year	20.85	3.89	2.81	1.66
	<u>102.81</u>	<u>82.02</u>	<u>48.36</u>	<u>45.55</u>
(D)	<u>580.87</u>	<u>494.14</u>	<u>165.30</u>	<u>212.62</u>
Total (A+B+C+D)	<u>1,323.30</u>	<u>811.43</u>	<u>674.92</u>	<u>664.82</u>

(Rs. Million)

15 TRADE RECEIVABLES

	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non-Current		Current	
a) Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	578.52	507.65
Unsecured, considered doubtful	2,267.98	2,140.49	-	-
Less: Provision for doubtful debts	(2,267.98)	(2,140.49)	-	-
(A)	-	-	578.52	507.65
b) Others				
Unsecured, considered good	79.08	297.54	1,842.76	1,367.04
Unsecured, considered doubtful	41.89	96.77	-	-
Less: Provision for doubtful debts	(41.89)	(96.77)	-	-
(B)	79.08	297.54	1,842.76	1,367.04
Total (A+B)	79.08	297.54	2,421.28	1,874.69

(Rs. Million)

16 OTHER ASSETS

	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non-Current		Current	
Non Current Bank Balances (Note 18)	1.11	0.78	-	-
Unbilled revenue	22.74	11.49	1,059.60	715.52
Less : Provision for Unbilled Revenue	(10.54)	-	(180.10)	(136.49)
Interest Receivable	-	-	6.14	12.61
Assets held for sale	-	-	-	3.87
	13.31	12.27	885.64	595.51

(Rs. Million)

17 INVENTORIES

	As at	
	March 31, 2016	March 31, 2015
As at the end of the year		
a) Education and Training Material*		
- Others	66.90	42.69
b) Software	1.98	2.17
	68.88	44.86
As at the beginning of the year		
a) Education and Training Material		
- Others	42.69	53.66
b) Software	2.17	1.83
	44.86	55.49
(Increase)/ Decrease in Inventory	(24.02)	10.63

* Net of provision for non-moving inventories of Rs. 13.01 Million (Previous year Rs. 20.81 Million) and includes Nil (Previous year Rs. 3.21 Million) that has been shown as exceptional item (Refer note 29).

(Rs. Million)

18 CASH AND BANK BALANCES

	As at			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non-Current		Current	
Cash and cash equivalents:				
Balance with banks				
-Current Accounts	-	-	722.56	517.01
[Includes Rs. 72.48 Million (Previous year Rs. 58.49 Million) pertaining to amount earmarked for specific contract]				
-Exchange Earners' Foreign Currency Account	-	-	-	0.07
-Bank deposits with original maturity of 3 months or less	-	-	79.87	113.79
Cheques and drafts on hand	-	-	25.74	23.37
Cash on hand	-	-	23.24	6.16
Sub Total (A)	-	-	851.41	660.40
Other bank balances:				
Bank deposits *				
-With original maturity of more than 3 months and upto 12 months	-	-	24.81	192.11
-With original maturity of more than 12 months	1.11	0.78	-	0.10
Dividend Accounts	-	-	9.49	10.54
*pledged as margin money				
Sub Total (B)	1.11	0.78	34.30	202.75
Total (A + B)	1.11	0.78	885.71	863.15
Amount disclosed under "Other Non Current Assets" (Refer note 16) (C)	(1.11)	(0.78)	-	-
Total (A + B + C)	-	-	885.71	863.15

19 CONTINGENT LIABILITIES

(Rs. Million)

a) i) Claims against the Group (including Associate Company) not acknowledged as debts:-

	As at	
	March 31, 2016	March 31, 2015
- Customers	8.53	53.34
- Sales Tax/ VAT	1.40	2.50
- Works Contract Tax	31.32	31.32
- Excise Matters	67.16	67.31
- Custom Duty	4.80	4.70
- Service Tax	38.70	53.33
- Income Tax	514.51	506.03
- Others*	14.44	12.74

*Pertains to alleged dues towards provident fund payable by vendors of the Company which the Company is contesting.

ii) The Holding Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. Orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal. The Tribunal has since passed order for AY 1999-00. The Tribunal has decided the issue of assumption of jurisdiction against the Company. On merits, Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for fresh examination and at this stage there is no ascertained/ quantified demands.

The Holding Company has filed appeal before the Hon'ble High Court against the aforesaid order of the Tribunal which is pending for disposal. The Hon'ble High Court, however, has passed interim order that Assessing Officer will proceed with the matter, but he will not pass final order. Based on legal opinion, the Company has good chances of obtaining adequate relief before the Hon'ble High Court.

iii) It is not practical for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not foresee any financial implication based on the advise of legal counsel.

iv) The Group does not expect any reimbursements in respect of the above.

b) Guarantees

i) Guarantees issued by bankers outstanding at the end of the year Rs. 34.83 Million (Previous year Rs. 38.26 Million).

ii) Guarantees issued to bankers outstanding at the end of accounting year Nil (Previous year Rs.163.09 Million) relating to Associate Company.

iii) Corporate Guarantees outstanding at the end of accounting year Nil (Previous year Rs. 359.83 Million) relating to Associate Company

iv) Corporate Guarantee of Rs. 562.49 Million (USD 8.5 Million) [Previous year Rs. 529.85 Million (USD 8.5 Million, net of settlement of USD 2.5 Million)] issued to Skill Soft Corporation, USA & Skill Soft Ireland Limited to secure them against any indemnification obligations of NIIT Ventures Inc. (a step down subsidiary of the Company) and NIIT (USA) Inc., with respect to sale of Element K Corporation (erstwhile step down subsidiary of the Company).

v) Corporate Guarantee given to National Skill Development Corporation to secure the loan of Rs. 142.64 Million (Previous year Rs. 142.64 Million) availed by NIIT Yuva Jyoti Limited, subsidiary of the Holding Company.

c) Other monies for which the Group is contingently liable

i) Security given for working capital limits on behalf of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) Rs. 30 Million (Previous year Rs. 30 Million) [Amount Outstanding at year end Nil (Previous year Nil)]

ii) Standby Letter of Credit issued by banks by earmarking working capital facility of the Holding Company aggregating, Rs. 496.31 Million [USD 7.5 Million] (Previous year Rs. 467.52 Million [USD 7.5 Million]) for working capital limit in favour of NIIT (USA) Inc. Corresponding loan availed as at year end is Rs. 145.59 Million (Previous year Rs. 137.14 Million).

20 CAPITAL COMMITMENTS AND OTHER COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided (including Associate Company) for Rs. 580.69 Million (Previous year Rs. 207.78 Million).

b) For commitments related to lease arrangements, refer note 35.

c) There are certain contracts with state governments under which the Group is required to transfer ownership of the fixed assets and equipments under leasing arrangements at the end of the contract term. The Group does not anticipate any cash outflow or expense on such transfer.

d) The Holding Company has outstanding letters of credit of Rs. 26.58 Million (Previous year Nil).

e) The Holding Company is required to hold a minimum holding of 51% of the total paid-up Equity Share Capital of NIIT Yuva Jyoti Limited (NYJL), during the term of the agreement with National Skill Development Corporation (NSDC).

f) Also refer Note 38 in respect of future revenue sharing arrangements of NIIT Yuva Jyoti Limited.

21 REVENUE FROM OPERATIONS	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Sale of Products :		
Courseware Revenue	1,263.69	1,583.80
Hardware & Accessories Revenue	52.43	88.27
Sale of Services*	<u>8,752.40</u>	<u>7,901.75</u>
	<u>10,068.52</u>	<u>9,573.82</u>

* Revenue for the year includes revenue for the previous year Nil (Previous year Rs.4.89 Million).

22 OTHER INCOME	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Interest Income	16.62	35.21
Profit on sale of Current Investments (Net)	0.57	-
Dividend Income from Current Investments	0.12	0.46
Provision / Other Liabilities written back	18.36	42.09
Gain on Sale of Fixed Assets (Net)	1.27	-
Gain on foreign currency translation and transaction (Net)	20.73	-
Other non-operating income	<u>18.75</u>	<u>53.62</u>
	<u>76.42</u>	<u>131.38</u>

23 EMPLOYEE BENEFITS EXPENSES *	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Salaries and Benefits	3,108.04	2,808.32
Contribution to Provident and Other Funds	156.41	164.00
Employees Stock Option Expenses	-	0.11
Welfare and Other expenses	<u>64.79</u>	<u>68.00</u>
	<u>3,329.24</u>	<u>3,040.43</u>

* Net of expenses amounting to Rs. 9.97 Million (Previous year Rs. 10.17 Million) (Refer Note 37).

24 EMPLOYEE BENEFITS

A) Defined Contribution Plans

The Group makes contribution towards Provident Fund (other than NIIT Limited and certain other domestic subsidiaries), Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Group has charged the following costs in Contribution to Provident and Other Funds in the Consolidated Statement of Profit and Loss:-

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
Employers' Contribution to Provident Fund	32.62	25.76
Employers' Contribution to Superannuation Fund	11.63	12.53
Employers' Contribution to Employees Pension Scheme	42.90	48.04
Employers' Contribution to Employee National Pension System	1.04	1.04
Contribution to 401 (K) and Other plans	<u>31.84</u>	<u>16.14</u>
Total	<u>120.03</u>	<u>103.51</u>

Contribution towards Superannuation Fund to the defined contribution plans includes following cost for Key Managerial Personnel:

	Year ended		(Rs. Million)
	March 31, 2016	March 31, 2015	
Employers' Contribution to Superannuation Fund	1.69	1.73	
Employers' Contribution to Employees Pension Scheme	0.02	0.01	
Employers' Contribution to Employee National Pension System	0.41	0.38	

B) Defined Benefit Plans

I. Provident Fund

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust") [for NIIT Limited and certain other domestic subsidiaries]. The Group contributed Rs. 25.72 Million (Previous year Rs. 27.85 Million) including Rs.1.95 Million (Previous year Rs. 1.95 Million) in respect of Key Managerial personnel during the year to the Trust.

The Group 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 Group'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.

The guidance on implementing AS 15 Employee Benefits (revised 2005), issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at March 31, 2016.

The details of fund and plan assets of the Trust as at March 31, 2016 (limited to the extent provided by the actuary):

	As at		(Rs. Million)
	March 31, 2016	March 31, 2015	
(i) Change in Defined Benefit Obligation			
Particulars			
Present Value of Defined Benefit Obligation as at the beginning of the year	5.64	5.34	
Current service cost	0.82	0.75	
Interest Cost	0.44	0.49	
Actuarial (gain)/ loss on Obligations	0.47	(0.94)	
Present Value of Defined Benefit Obligation as at the end of the year	7.37	5.64	

	As at		(Rs. Million)
	March 31, 2016	March 31, 2015	
(ii) Change in Fair Value of Assets			
Particulars			
Fair value of Plan Assets as at the beginning of the year	91.76	48.90	
Actuarial (loss)/ gain on Plan Assets	27.30	42.86	
Fair value of Plan Assets as at the end of the year	119.06	91.76	

	As at		(Rs. Million)
	March 31, 2016	March 31, 2015	
(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :			
Particulars			
Present value of Defined Benefit Obligation	7.37	5.64	
Fair Value of Plan Assets	119.06	91.76	
Funded Status [Surplus/(Deficit)] with the trust	111.69	86.12	
Net Asset/(Liability) recognised in the Balance Sheet	-	-	

(iv) Assumptions used in accounting for provident Fund:-

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (Per Annum)	7.75%	7.75%
Expected return on Plan Assets	8.60%	8.60%
Expected guaranteed interest	8.75% and 8.60% for subsequent years	8.75% and 8.60% for subsequent years

v) Investment details of Plan Assets:-

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Government Securities	47.39%	45.75%
Debt Instruments	51.09%	54.25%
Equities	0.91%	-
Short term Debt Instruments	0.61%	-
	100.00%	100.00%

II. Compensated Absences

(Rs. Million)

Particulars	Year ended	
	March 31, 2016	March 31, 2015
i) Change in Present value of Obligation:-		
Present value of obligation as at the beginning of the year	98.77	107.02
Interest Cost	5.67	7.98
Past Service cost	(14.51)	-
Current service cost	27.40	28.83
Benefits Paid	(0.58)	(0.58)
Actuarial (gain)/ loss on Obligations	(27.70)	(44.48)
Present value of obligation as at the end of the year	89.05	98.77

Classification in Balance Sheet :

- Long Term	3.64	4.14
- Short Term	85.41	94.63

ii) Principal actuarial assumptions used in accounting for Compensated Absences:-

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (per annum)	3.10% to 8.75%	3.30% to 7.75%
Future Salary Increase		
-For First 5 Years	10.00%	10.00%
-Thereafter	7.00%	7.00%
Estimates of future salary increase (cost to the Company) considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		

III. Gratuity Fund

I. Funded

(Rs. Million)

Particulars	Year ended	
	March 31, 2016	March 31, 2015
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	125.55	97.97
Interest cost	8.63	8.45
Current service cost	13.85	10.53
Benefits paid	(26.34)	(15.48)
Actuarial (gain)/ loss on obligations	(6.26)	24.08
Present value of obligation as at the year end	115.43	125.55

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
ii) Change in Plan Assets:-		
Fair value of Plan Assets as at the beginning of the year	97.29	93.82
Expected return on Plan Assets	7.91	8.60
Contributions	9.51	8.54
Benefits Paid	(28.35)	(15.48)
Actuarial (loss)/ gain on Plan Assets	(0.35)	1.81
Fair value of Plan Assets as at the end of the year	86.01	97.29

Actuary's estimates of contributions for the next financial year is Rs. 42.67 Million (Previous year Rs. 42.40 Million).

Particulars	Fair value of Plan Assets as at the end of the year	Present value of obligation as at the end of the year	(Rs. Million)
			Assets/ (obligation) recognised in Balance Sheet*
As at March 31, 2016	86.01	115.43	(29.42)
As at March 31, 2015	97.29	125.55	(28.26)
As at March 31, 2014	93.82	97.97	(4.15)
As at March 31, 2013	93.54	102.84	(9.30)
As at March 31, 2012	95.17	99.26	(4.09)

* Net of assets recognised in Balance Sheet Rs. 0.09 Million (Previous year Rs. 0.29 Million)

Particulars	(Rs. Million)	
	Year ended	
	March 31, 2016	March 31, 2015
iv) Net Gratuity Cost recognised in Consolidated Statement of Profit and Loss:-		
Current service cost	13.85	10.53
Interest cost	8.63	8.45
Expected return on Plan Assets	(7.91)	(8.60)
Net Actuarial (gain)/ loss recognised during the year	(3.91)	22.22
Expense recognised in Consolidated Statement of Profit and Loss (under contribution to provident and other funds)	10.66	32.60
Actual return on plan assets	7.58	8.13
v) Assumptions used in accounting for gratuity plan:-		
	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (Per Annum)	7.75%	7.75%
Future Salary Increase	6.00%	6.00%
Expected Rate of return on plan assets	9.10%	9.00%

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

vi) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Group and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

II. Non Funded

(Rs. Million)

Particulars	Year ended	
	March 31, 2016	March 31, 2015
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	0.03	0.07
Current service cost	-	0.04
Benefits paid	(0.03)	(0.08)
Present value of obligation as at the year end	-	0.03

ii) Net Gratuity cost recognised in Contribution to Retirement Benefit

Funds in Consolidated Statement of Profit and Loss:

Current service cost	-	0.04
Expense recognised in Consolidated Statement of Profit and Loss	-	0.04

iii) Assumptions used in accounting for gratuity plan:-

	Year ended	
	March 31, 2016	March 31, 2015
Discount Rate (per annum)	7.75%	7.75%
Future Salary Increase	6.00%	6.00%

For Netherlands Antilles :

Discount Rate (per annum)	NA	3.30%
Future Salary Increase	NA	5.00%

Gratuity expenses recognised for funded and non-funded schemes in Consolidated Statement of Profit and Loss amounts to Rs. 10.66 Million (Previous year Rs. 32.64 Million) and has been disclosed under Contribution to Provident and Other Funds. Gratuity liability recognised for funded and non-funded schemes as at year end amounts to Rs. 29.51 Million (Previous year Rs. 28.58 Million).

25 EMPLOYEES STOCK OPTION SCHEME

During the year 2005-06, the Company had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board, in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.

As per the plan, each option is exercisable for one equity share of face value of Rs. 2/- each (Rs. 10/- each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Contd..

The summary of options granted is as follows:

Particulars	Grant V			Grant VI		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Date of Grant	2015-16	2014-15	2015-16	2015-16	2014-15	2015-16
Date of Vesting	26-Oct-09	26-Oct-09	26-Oct-09	23-Jan-10	23-Jan-10	23-Jan-10
Live options at the beginning of the year (Nos.)	26-Oct-10	26-Oct-11	26-Oct-12	23-Jan-11	23-Jan-12	23-Jan-13
Granted during the year (Nos.)	-	1,018,105	860,571	-	66,410	52,510
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	1,018,105	148,909	-	66,410	10,480
Options exercised (Nos)	-	-	110,080	-	-	1,390
Outstanding/ exercisable at the end of the year (Nos)	-	-	601,582	-	-	40,640
Exercise Price (Rs.)	72.20	72.20	72.20	69.20	69.20	69.20
Remaining Contractual Life (Days)	-	-	209	-	-	298
Fair value of the options based on Black and Scholes Model (Rs.)	32.00	34.77	36.64	30.47	32.91	34.74
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-

Particulars	Grant VII			Grant VIII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Date of Grant	2015-16	2014-15	2014-15	2014-15	2014-15	2014-15
Date of Vesting	22-Oct-10	22-Oct-10	22-Oct-10	8-May-12	8-May-12	8-May-12
Live options at the beginning of the year (Nos.)	22-Oct-11	22-Oct-12	22-Oct-13	8-May-13	8-May-14	8-May-14
Granted during the year (Nos.)	12,000	12,000	12,000	-	25,000	-
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	12,000	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	-	-	12,000	-	-	25,000
Exercise Price (Rs.)	67.65	67.65	67.65	2.00	2.00	2.00
Remaining Contractual Life (Days)	-	205	205	-	-	-
Fair value of the options based on Black and Scholes Model (Rs.)	28.35	32.00	34.35	40.64	39.71	39.71
Intrinsic Value of the options granted (Rs.)	-	-	-	43.05	43.05	43.05

Particulars	Grant IX		
	Vest 1	Vest 2	Vest 3
Date of Grant	2015-16	2014-15	2014-15
Date of Vesting	21-May-14	21-May-14	21-May-14
Live options at the beginning of the year (Nos.)	20-May-15	20-May-16	20-May-17
Granted during the year (Nos.)	469,300	469,300	471,400
Forfeited/ lapsed till vesting period (Nos.)	495,900	495,900	498,200
Options Vested (Nos)	26,600	26,600	93,600
Forfeited/ lapsed post vesting (Nos)	469,300	-	26,800
Options exercised (Nos)	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	152,500	469,300	471,400
Exercise Price (Rs.)	316,800	376,100	377,800
Remaining Contractual Life (Days)	35.40	35.40	35.40
Fair value of the options based on Black and Scholes Model (Rs.)	1,512	1,877	2,242
Intrinsic Value of the options granted (Rs.)	10.66	11.45	14.35

Particulars	Grant XI											
	Vest 1		Vest 2		Vest 3		Vest 4		Vest 5			
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Date of Grant	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14	17-Oct-14
Date of Vesting	17-Oct-15	17-Oct-15	17-Oct-16	17-Oct-16	17-Oct-17	17-Oct-17	17-Oct-18	17-Oct-18	17-Oct-18	17-Sep-19	17-Sep-19	17-Sep-19
Live options at the beginning of the year (Nos.)	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-
Granted during the year (Nos.)	-	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-	200,000
Forfeited/ lapsed till vesting period (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	200,000	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Exercise Price (Rs.)	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50	48.50
Remaining Contractual Life (Days)	1,376	1,741	1,376	1,741	1,376	1,741	1,376	1,741	1,376	1,741	1,376	1,741
Fair value of the options based on Black and Scholes Model (Rs.)	14.71	14.71	15.23	15.23	15.80	15.80	16.27	16.27	16.27	16.79	16.79	16.79
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Grant XII						Grant XIII			Grant XIV			Grant XV								
	Vest 1		Vest 2		Vest 3		Vest 1		Vest 2	Vest 3	Vest 1		Vest 2	Vest 3	Vest 1		Vest 2	Vest 3			
	24-Jun-15	24-Jun-16	24-Jun-17	24-Jun-18	24-Jun-15	24-Jun-16	24-Jun-17	24-Jun-18	17-Jul-15	17-Jul-16	17-Jul-17	17-Jul-15	17-Jul-16	17-Jul-17	19-Jan-16	19-Jan-17	19-Jan-18	19-Jan-16	19-Jan-17	19-Jan-18	
Date of Grant	24-Jun-15	24-Jun-16	24-Jun-17	24-Jun-18	24-Jun-15	24-Jun-16	24-Jun-17	24-Jun-18	17-Jul-15	17-Jul-16	17-Jul-17	17-Jul-15	17-Jul-16	17-Jul-17	19-Jan-16	19-Jan-17	19-Jan-18	19-Jan-16	19-Jan-17	19-Jan-18	
Date of Vesting	24-Jun-16	24-Jun-17	24-Jun-18	24-Jun-19	24-Jun-16	24-Jun-17	24-Jun-18	24-Jun-19	17-Jul-16	17-Jul-17	17-Jul-18	17-Jul-16	17-Jul-17	17-Jul-18	19-Jan-17	19-Jan-18	19-Jan-19	19-Jan-17	19-Jan-18	19-Jan-19	
Live options at the beginning of the year (Nos.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Granted during the year (Nos.)	533,332	533,332	533,332	533,336	511,631	511,631	511,631	511,738	35,000	30,000	30,000	35,000	35,000	35,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Forfeited/ lapsed till vesting period (Nos.)	50,000	50,000	50,000	50,000	13,332	13,332	13,332	13,336	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Vested (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed post vesting (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options exercised (Nos)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding/ exercisable at the end of the year (Nos)	483,332	483,332	483,332	483,336	498,299	498,299	498,299	498,402	35,000	30,000	30,000	35,000	35,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Exercise Price (Rs.)	41.60	41.60	41.60	41.60	52.15	52.15	52.15	52.15	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65	75.65
Remaining Contractual Life (Days)	1,911	2,276	2,641	1,934	2,299	2,664	2,299	2,664	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119	2,119
Fair value of the options based on Black and Scholes Model (Rs.)	13.45	14.38	15.07	17.01	18.21	19.08	25.91	25.91	27.48	27.48	28.50	25.91	25.91	25.91	25.91	25.91	25.91	25.91	25.91	25.91	25.91
Intrinsic Value of the options granted (Rs.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

The assumptions used by independent valuers, for determination of fair value of a share of Rs. 2/- each fully paid up as per the Black & Scholes Model are as follows:

Particulars	Grant V			Grant VI			Grant VII			Grant VIII		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	72.2	72.2	72.2	69.2	69.2	69.2	67.65	67.65	67.65	67.65	67.65	67.65
Exercise price	72.2	72.2	72.2	69.2	69.2	69.2	67.65	67.65	67.65	67.65	67.65	67.65
Dividend yield	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
Volatility	71.63%	66.14%	61.68%	71.56%	65.68%	61.44%	65.49%	63.40%	60.71%	35.20%	52.84%	39.88%
Average life of the options (in years)	2.5	3.5	4.5	2.5	3.5	4.5	2.5	3.5	4.5	2.5	3.5	4.5
Risk free rate	6.55%	6.92%	7.19%	6.19%	6.51%	6.80%	7.36%	7.56%	7.73%	8.15%	8.22%	8.51%

Particulars	Grant IX			Grant X			Grant XI		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	35.4	35.4	35.4	49.75	49.75	49.75	48.5	48.5	48.5
Exercise price	35.4	35.4	35.4	49.75	49.75	49.75	48.5	48.5	48.5
Dividend yield	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%	3.96%
Volatility	39.04%	37.65%	48.22%	40.75%	39.51%	46.99%	42.47%	41.13%	40.48%
Average life of the options (in years)	3.5	4.5	5.5	3.5	4.5	5.5	3.11	3.61	4.11
Risk free rate	8.68%	8.73%	8.78%	8.78%	8.73%	8.70%	8.48%	8.4%	8.50%

Particulars	Grant XII			Grant XIII			Grant XIV			Grant XV		
	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3	Vest 1	Vest 2	Vest 3
Market price considered	41.60	41.60	41.60	52.15	52.15	52.15	75.65	75.65	75.65	75.65	75.65	75.65
Exercise price	41.60	41.60	41.60	52.15	52.15	52.15	75.65	75.65	75.65	75.65	75.65	75.65
Dividend yield	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Volatility	42.73%	41.13%	39.89%	43.53%	41.89%	40.55%	47.11%	47.11%	44.92%	42.94%	42.94%	42.94%
Average life of the options (in years)	3.5	4.5	5.5	3.5	4.5	5.5	3.5	3.5	3.5	4.5	5.5	5.5
Risk free rate	7.95%	7.93%	7.92%	7.79%	7.86%	7.90%	7.47%	7.47%	7.58%	7.67%	7.67%	7.67%

Other information regarding employee share based payment is as below:

Particulars	Grant IX						Grant X					
	Vest 1 2015-16	Vest 2 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 1 2015-16	Vest 2 2015-16	Vest 3 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 3 2015-16
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	0.69	4.32	2.15	2.32	1.81	1.95	0.79	1.13	1.02	0.61	0.81	0.48

Particulars	Grant XI						Grant XII					
	Vest 1 2015-16	Vest 2 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 1 2015-16	Vest 2 2015-16	Vest 3 2014-15	Vest 3 2015-16	Vest 3 2014-15	Vest 3 2015-16
Additional expense had the Company recorded the ESOP Expense based on fair value of the options	1.61	1.34	1.52	0.69	1.05	0.48	0.81	0.37	0.67	0.31	0.08	0.06

For impact on Basic and Dilutive EPS, had fair value of the option been used for determining ESOP expense, Refer Note 31.

(Rs. Million)

(Rs. Million)

26 FINANCE COSTS

	Year ended	
	March 31, 2016	March 31, 2015
Interest Expense	202.95	135.69
Other Borrowing Costs	8.41	2.35
	<u>211.36</u>	<u>138.04</u>

(Rs. Million)

27 OTHER EXPENSES *

	Year ended	
	March 31, 2016	March 31, 2015
Equipment Hiring	432.45	402.82
Royalties	61.83	2.69
Freight and Cartage	23.24	26.05
Rent (net of recoveries)	293.99	385.20
Rates and Taxes	16.43	12.52
Power & Fuel	91.87	100.10
Communication	117.90	115.76
Legal and Professional (Refer Note 28)	203.07	173.71
Travelling and Conveyance	460.50	449.44
Provision for Doubtful Debts	49.42	48.75
Bad Debts Written off	16.47	4.63
Less:-Provision for Doubtful Debts wriiten back	<u>(16.47)</u>	<u>-</u>
Provision for Doubtful Advances	0.69	3.23
Provision for Unbilled Revenue	54.15	5.30
Advances Written off	2.20	0.56
Insurance	15.40	14.13
Repairs and Maintenance		
- Plant and Machinery	32.18	27.68
- Buildings	3.00	5.30
- Others	66.14	67.83
Consumables	49.87	69.17
Loss on Sale of Fixed Assets (Net)	-	6.88
Loss on foreign currency translation and transactions (net)	-	34.77
Security and Administration Services	27.69	35.71
Bank Charges	26.33	31.49
Marketing & Advertising Expenses	410.96	476.20
Sales Commission	6.99	6.97
Discounts & Rebates	47.23	44.88
Sundry Expenses	<u>38.08</u>	<u>50.09</u>
	<u>2,531.61</u>	<u>2,601.86</u>

* Net of expenses amounting to Rs. 65.99 Million (Previous year Rs. 26.11 Million) (Refer Note 37).

(Rs. Million)

28 PAYMENT TO AUDITORS

	Year ended	
	March 31, 2016	March 31, 2015
a) Payment to the Holding Company auditor:		
- Audit Fee	9.61	9.08
- Tax Audit Fee	0.55	0.50
- Limited Review Fee	1.65	1.50
For other Certification	0.49	2.04
For reimbursement of expenses (including service tax)	3.09	3.18
	<u>15.39</u>	<u>16.30</u>

b) Payment to other auditors amounting to Rs. 11.66 Million (Previous year Rs. 9.46 Million).

(Rs. Million)

29 EXCEPTIONAL ITEMS

	Year ended	
	March 31, 2016	March 31, 2015
Income/ (Expenses)		
Gain on Currency Translation Reserve transferred to Consolidated Statement of Profit and Loss on buy back of shares by subsidiary	-	107.86
Expenses incurred for business restructuring	-	(40.45)
Expenses incurred for retrospective change in legislation	(6.18)	-
Reduction of Preference Share Capital	-	56.00
Legal and Professional Expenses & Settlement of litigation	-	(26.70)
Provision for indirect tax under litigation	-	(44.57)
Provision for doubtful debts and other balances (Expense)/ Write back	4.62	(805.27)
Provision for business support on account of change in delivery technology (Expense)/ Write back	17.42	(39.77)
Provision for Inventory	-	(3.21)
Provision for Security Deposit	-	(6.86)
	<u>15.86</u>	<u>(802.97)</u>

Exceptional items as above comprise; items of income/ (expenditure), arising from ordinary activities of the Group, of such size, nature or incidence that their separate disclosure is considered appropriate, to better explain the performance for the year :-

- (i) During the previous year, NIIT (USA), Inc., bought back a part of its equity. Such buy back tantamounts to partial disposal of investment. Accordingly, the proportionate amount of currency translation reserve has been transferred to Consolidated Statement of Profit and Loss.
- (ii) During the previous year expenditure incurred in relation to the Scheme of Arrangement (Refer Note 30), amounting to Rs. 40.45 Million has been charged to the Consolidated Statement of Profit and Loss.
- (iii) During the year, the Group has created an additional provision for bonus related to the period April 1, 2014 to March 31, 2015 pursuant to retrospective amendment to "The Payment of Bonus Act, 1965" notified on January 1, 2016.
- (iv) Pursuant to Scheme of Arrangement, Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) cancelled its issued Preference Share Capital. Such reduction in capital was credited to the Consolidated Statement of Profit and Loss.
- (v) During the previous year, NIIT (USA) Inc., incurred legal and professional costs aggregating Rs. 23.51 Million in connection with defending lawsuits in respect of sale of its erstwhile step down subsidiary, Element K Corporation, USA and civil lawsuits in respect of purchase of business in earlier years. Further, NIIT (USA) Inc., also incurred Rs. 3.19 Million towards interest on tax in respect of Element K Corporation, USA, the tax amount of which amounting to Rs. 28.96 Million towards settlement of litigation was been disclosed under current tax expense.

- (vi) During the previous year, the Group had made a provision of Rs. 44.57 Million towards Value Added Tax basis ongoing proceedings with the concerned authorities in respect of customer contracts executed in earlier years.
- (vii) Owing to significant delays in collections on account of claims disputed by government and other customers, persistent follow up, management's defocus from government and other contracts in India and Other geographies, change in Business model in China, the Group has made a provision during the previous year amounting to Rs. 805.27 Million, out of which an amount of Rs. 4.38 Million has been recovered during the year ended March 31, 2016.
- (viii) During the previous year, the Holding Company had completed transition from physical mode of courseware delivery to Cloud and Collaborative Delivery Model. On account of change in delivery technology, the Group has made provision for inventory aggregating to Rs. 3.21 Million and made provision for business support amounting to Rs. 39.77 Million as one time credit to eligible business partners. Reversal of provision for business support amounting to Rs. 17.42 Million during the year has been credited to exceptional income on account of settlement of claims from the eligible business partners.
- (ix) Further during the previous year the Holding Company closed education centres as a result of which the Holding Company created a provision for security deposit of Rs. 6.86 Million for centres closed.
- (x) During the previous year, pursuant to slow down in IT training business and defocus in government school contracts, the Group had made a provision for impairment of tangible and intangible fixed assets as reported in Note 11A.

30 SCHEME OF ARRANGEMENT

The Board of Directors had in their meeting held on August 26, 2014 approved a Composite Scheme of Arrangement ('the Scheme') between the Holding Company and its erstwhile subsidiaries Scantech Evaluation Services Limited ('SESL'), Evolv Services Limited ('ESL'), NIIT Online Learning Limited ('NOLL') (also, collectively referred to as 'the amalgamating companies') and Hole-in-the-Wall Education Limited ('HiWEL' or 'the transferee company') and their respective shareholders and creditors under sections 391 to 394 of the Companies Act, 1956, for streamlining of the group structure, consolidation of business operations and reduction in costs.

Pursuant to the Scheme, the transferor companies were transferred to and vest with the Holding Company and the School Business Undertaking of the Company, as defined in the Scheme ('the Undertaking'), was transferred to the transferee company for a lumpsum consideration of Rs. 1,080.64 Million retrospectively with effect from April 1, 2014 ('the appointed date'). The Scheme was approved by the shareholders and the Hon'ble High Court of Judicature at Delhi ('the Hon'ble High Court') on January 31, 2015 and May 8, 2015 respectively. The Scheme came into effect upon filing of the order of the Hon'ble High Court with the Registrar of Companies on May 23, 2015 ('the effective date'). From the effective date, the transferor companies were dissolved without being wound up and their business continues to be carried out by the Holding Company.

A. IN RESPECT OF AMALGAMATION OF AMALGAMATING COMPANIES

Pursuant to the Scheme, the businesses of the amalgamating companies, together with all the properties, assets, rights, liabilities and interest therein, were transferred to and vested in the Holding Company, as a going concern, with effect from April 1, 2014 and the business of the amalgamating companies is carried out for and on account of and in trust by the Holding Company. The authorised share capital of NIIT Limited was increased by an amount of Rs. 636 Million. During the year, equity shares have been sub divided and consolidated into each share of Rs. 2 each fully paid up.

In accordance with the Scheme all the assets and liabilities as on the appointed date (i.e. April 01, 2016), of the amalgamating companies became the assets and liabilities of the Company and were recorded at fair values in the books of the Company based on a report of an independent valuer and the difference between the fair value of assets and liabilities of the amalgamating companies were credited to Capital Reserve Account, after adjusting inter-company balances, as approved by the Board of Directors in their meeting held on July 17, 2015*.

Adjustments in the heads of account for the year ended March 31, 2015 arising on account of Amalgamation are as follows :

(Rs. Million)				
Particulars	SESL	NOLL	ESL	Total
Balances as per Fair Valuation Report as at the Appointed Date :				
Fixed Assets	0.01	-	5.66	5.67
Investment (Refer Note 12)	5,186.90	5.95	-	5,192.85
Deferred tax assets	-	-	-	-
Inventories	-	-	-	-
Trade receivables	-	-	24.67	24.67
Cash and bank balances	1.14	0.41	5.33	6.88
Loans and advances	199.22	1.37	30.36	230.95
Other current and Non-Current assets	12.88	-	2.73	15.61
Total Assets (A)	5,400.15	7.73	68.75	5,476.63
Current Liabilities and Provisions	120.74	0.06	13.25	134.05
Total Liabilities (B)	120.74	0.06	13.25	134.05
Net Fair Value of Assets/ (Liabilities) (C=A-B)	5,279.41	7.67	55.50	5,342.58
Less : Cancellation of Investment (D)	(99.10)	(4.39)	(66.81)	(170.30)
Net Surplus/ (Deficit) credited to Capital Reserve (C-D) [Refer Note 4]	5,180.31	3.28	(11.31)	5,172.28
Add : Adjustment of Goodwill on Consolidation due to amalgamation of subsidiary (Refer Note 11)				40.27
Less : Net Adjustment to reserve and surplus due to amalgamation of subsidiaries (Refer Note 4)				2,919.80
Net increase in Non-Current Investment and Reserves				2,292.75

* As stated in Note 2.2, based on opinion received from EAC of ICAI ('EAC') subsequent to the meeting of the Board of Directors held on May 27, 2015, the Company accounted for assets and liabilities at fair values by applying the Purchase Method in accordance with Accounting Standard -14 and other generally accepted accounting principles. As a result, the non-current investment and reserves were higher by Rs. 2,292.75 Million respectively as at April 01, 2014.

B. IN RESPECT OF TRANSFER OF THE UNDERTAKING

Upon the Scheme becoming effective and from the appointed date, the Undertaking stood transferred to and vested in the transferee company and the business of the Undertaking was carried out for and on account of and in trust for the transferee company upto the effective date. Pursuant to the Scheme, the consideration over the excess of book values of the assets of the Undertaking comprising fixed assets, trade receivable, cash and bank balances and other assets and the aggregate of the transferred liabilities was credited to the Consolidated Statement of Profit and Loss of the Company.

Further, the Preference Share Capital of the transferee company stood cancelled as laid down in the Scheme. Accordingly the amount of Rs. 56.00 Million appearing under Capital Reserve was transferred to the Consolidated Statement of Profit and Loss (Refer Note 29).

31 EARNINGS PER SHARE

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit/ (Loss) attributable to Equity Shareholders (Rs. Million) (A)	672.36	(1,385.32)
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	165,283,877	165,163,885
Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)	2,334,759	297,885
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (C)	167,618,636	165,461,770
Nominal Value of Equity Shares (Rs.)	2/-	2/-
Basic Earnings/ (Loss) per Share (Rs.) (A/B)	4.07	(8.39)
Diluted Earnings/ (Loss) per Share (Rs.) (A/C)	4.01	(8.39)
EARNINGS PER SHARE [had fair value method been employed for accounting for Employee Stock Options (Refer note 25)]		
Profit/ (Loss) attributable to Equity Shareholders (Rs. Million) - (D)	637.88	(1,399.32)
Basic Earnings/ (Loss) per Share (Rs.) (D/B)	3.86	(8.47)
Diluted Earnings/ (Loss) per Share (Rs.) (D/C)	3.81	(8.47)

32 RELATED PARTY TRANSACTIONS AS PER ACCOUNTING STANDARD 18:

a) Related parties with whom the Group has transacted:

Associate Companies

- 1 NIIT Technologies Limited
- 2 NIIT GIS Limited
- 3 NIIT Smart Serve Limited
- 4 NIIT Technologies Inc., USA
- 5 NIIT Technologies Pte Limited, Singapore
- 6 NIIT Technologies Limited, UK
- 7 NIIT Media Technologies LLC, UK
- 8 NIIT Technologies Limited, Brazil

Key Managerial Personnel

- 1 Rajendra S Pawar (Chairman)
- 2 Vijay K Thadani (Vice-Chairman & Managing Director) and (Chief Executive Officer till May 27, 2015)
- 3 P Rajendran (Joint Managing Director)
- 4 Rahul Keshav Patwardhan (Chief Executive Officer w.e.f. May 28, 2015)
- 5 Rohit Kumar Gupta (Chief Financial Officer)

Relatives of Key Managerial Personnel

- 1 Renuka Thadani (Wife of Vijay K Thadani)
- 2 Veena Oberoi (Sister of Vijay K Thadani)

Parties in which the Key Managerial Personnel of the Group are interested

- 1 NIIT Institute of Information Technology
- 2 NIIT Foundation (formerly known as NIIT Education Society)
- 3 Pace Industries Private Limited
- 4 NIIT Network Services Limited
- 5 NIIT University
- 6 Naya Bazaar Novelties Private Limited

b) Details of significant transactions and balances with related parties :

(Rs. Million)

Nature of Transactions	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Dividend Income (Footnote i)	137.69 (130.44)	- (-)	- (-)	- (-)	137.69 (130.44)
Other Income (Footnote ii)	0.04 (0.58)	- (-)	- (-)	0.95 (-)	0.99 (0.58)
Purchase of Goods (Footnote iii)	- (-)	- (-)	- (-)	0.53 (0.45)	0.53 (0.45)
Purchase of Services (Footnote iv)					
Employee Benefit Expense	- (-)	- (-)	- (-)	0.32 (0.58)	0.32 (0.58)
Other Expenses	- (-)	- (-)	- (-)	0.55 (3.74)	0.55 (3.74)
Other Services (Included in Other Expenses)	21.47 (19.92)	- (-)	- (-)	3.37 (1.88)	24.84 (21.80)
Professional Technical & Outsourcing Services	- (-)	- (-)	- (-)	0.30 (4.78)	0.30 (4.78)
Recovery of Expenses By (Footnote v)					
Employee Benefit Expense	- (0.13)	- (-)	- (-)	- (-)	- (0.13)
Other Expenses	5.92 (5.39)	- (-)	1.81 (1.81)	8.45 (11.82)	16.18 (19.02)
Other Services (Included in Other Expenses)	- (0.44)	- (-)	- (-)	- (-)	- (0.44)
Professional Technical & Outsourcing Expenses	9.78 (1.70)	- (-)	- (-)	- (5.41)	9.78 (7.11)
Recovery of Expenses From (Footnote vi)					
Employee Benefit Expense	5.92 (12.44)	- (-)	- (-)	0.07 (8.66)	5.99 (21.10)
Other Expenses	1.05 (3.88)	- (-)	- (-)	3.55 (7.59)	4.60 (11.47)
Other Services (Included in Other Expenses)	1.19 (19.21)	- (-)	- (-)	0.01 (-)	1.20 (19.21)
Remuneration (Footnote vii)	- (-)	79.66 (41.84)	- (-)	- (-)	79.66 (41.84)
Sale of Courseware (Footnote viii)	- (-)	- (-)	- (-)	1.96 (0.53)	1.96 (0.53)
Sale of Services (Footnote ix)	5.19 (5.77)	- (-)	- (-)	2.36 (5.27)	7.55 (11.04)
Sale of Goods (Footnote x)	- (-)	- (-)	- (-)	5.47 (1.03)	5.47 (1.03)
Sale of Fixed Assets (Footnote xi)	- (-)	- (-)	- (-)	- (0.05)	- (0.05)

Refer Notes 19 & 20 for Guarantees, collaterals and commitments.

Footnotes:-

Previous year figures are given in parenthesis.

- i) **Includes Dividend Income from:**
NIIT Technologies Limited Rs.137.69 Million (Previous year Rs.130.44 Million)
- ii) **Other Income includes:**
NIIT Technologies Limited Rs. 0.04 Million (Previous year Rs. 0.58 Million)
NIIT University Rs. 0.95 Million (Previous year Nil)
- iii) **Includes Purchase of Goods from:**
Naya Bazaar Novelties Private Limited Rs. 0.53 Million (Previous year Rs. 0.45 Million)
- iv) **Includes Purchase of Services from:**
Employee Benefit Expense
 NIIT University Rs. 0.32 Million (Previous year Rs. 0.58 Million)
Other Expenses
 NIIT University Rs. 0.55 Million (Previous year Rs. 3.74 Million)
Other Services (Included in Other Expenses)
 NIIT University Rs. 3.37 Million (Previous year Rs. 1.88 Million)
 NIIT Technologies Limited Rs. 21.47 Million (Previous year Rs. 19.92 Million)
Professional Technical & Outsourcing Services
 NIIT University Rs. 0.30 Million (Previous year 4.78 Million)
- v) **Includes Recovery of Expenses by:**
Employee Benefit Expense
 NIIT Technologies Inc., USA Nil (Previous year Rs. 0.13 Million)
Other Expenses
 NIIT University Rs. 6.14 Million (Previous year Rs. 10.91 Million)
 NIIT Technologies Limited, UK Rs. 5.82 Million (Previous year Rs. 5.39 Million)
 NIIT Network Services Limited Nil (Previous year Rs. 0.13 Million)
 NIIT Foundation Rs. 1.58 Million (Previous year Rs. 0.05 Million)
 Renuka Thadani Rs. 1.09 Million (Previous year Rs. 1.09 Million)
 NIIT Technologies Inc., USA Rs. 0.06 Million (Previous year Nil)
 NIIT Technologies Limited Rs. 0.04 Million (Previous year Nil)
 Veena Oberoi Rs. 0.73 Million (Previous year Rs. 0.73 Million)
 Pace Industries Private Limited Rs. 0.73 Million (Previous year Rs. 0.73 Million)
Other Services (Included in Other Expenses)
 NIIT Technologies Inc., USA Nil (Previous year Rs. 0.14 Million)
 NIIT Technologies Limited Nil (Previous year Rs. 0.30 Million)
Professional Technical & Outsourcing Services
 NIIT Foundation Nil (Previous year Rs. 5.41 Million)
 NIIT Technologies Pte Limited Rs. 2.28 Million (Previous year Rs. 1.70 Million)
 NIIT Technologies Limited, Brazil Rs. 6.51 Million (Previous year Nil)
 NIIT Technologies Limited, UK Rs. 0.99 Million (Previous year Nil)
- vi) **Includes Recovery of Expenses From:**
Employee Benefit Expense
 NIIT Foundation Rs. 0.02 Million (Previous year Rs. 0.04 Million)
 NIIT Technologies Inc., USA Rs. 0.85 Million (Previous year Rs. 0.85 Million)
 NIIT Technologies Limited Rs. 5.07 Million (Previous year Rs. 11.59 Million)
 NIIT University Rs. 0.05 Million (Previous year Rs. 8.62 Million)
Other Expenses
 NIIT Foundation Rs. 1.40 Million (Previous year Rs. 2.58 Million)
 NIIT GIS Limited Rs. 0.01 Million (Previous year Rs. 0.04 Million)
 NIIT Technologies Limited Rs. 1.04 Million (Previous year Rs. 3.84 Million)
 NIIT University Rs. 2.15 Million (Previous year Rs. 5.01 Million)

Other Services (Included in Other Expenses)

NIIT Media Technologies LLC, UK Nil (Previous year Rs. 2.44 Million)

NIIT Technologies Limited Nil (Previous year Rs. 6.90 Million)

NIIT Technologies Inc., USA Rs. 1.19 Million (Previous year Rs.9.87 Million)

vii) Remuneration Paid to :

Rajendra S Pawar Nil (Previous year Rs. 4.38 Million)

Vijay K Thadani Rs. 15.62 Million (Previous year Rs. 5.37 Million)

P Rajendran Rs. 16.93 Million (Previous year Rs. 20.53 Million)

Rahul Keshav Patwardhan Rs. 32.28 Million (Previous year Nil)

Rohit Kumar Gupta Rs. 14.83 Million (Previous year Rs. 11.56 Million)

viii) Includes Sale of Courseware :

NIIT Foundation Rs. 1.96 Million (Previous year Rs. 0.53 Million)

ix) Sale of Services

NIIT Foundation Rs. 1.60 Million (Previous year Rs. 2.84 Million)

NIIT Technologies Limited Rs. 1.94 Million (Previous year Rs. 2.01 Million)

NIIT GIS Limited Nil (Previous year Rs. 0.08 Million)

NIIT Smart Serve Limited Nil (Previous year Rs. 0.12 Million)

NIIT University Rs. 0.76 Million (Previous year Rs. 2.43 Million)

NIIT Technologies Pte Limited, Singapore Rs. 3.25 Million (Previous year Rs. 3.56 Million)

x) Includes Sale of Goods :

NIIT Foundation Rs. 5.47 Million (Previous year Rs. 1.03 Million)

xi) Sale of Fixed Assets

NIIT Institute of Information Technology Nil (Previous year Rs. 0.05 Million)

c) Outstanding Balances :

(Rs. Million)

Nature of Transactions	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel	Parties in which Key Managerial Personnel of the Company are interested	Total
Receivable	8.61 (11.06)	0.03 (-)	- (-)	4.84 (12.20)	13.48 (23.26)
Payable	15.21 (11.30)	0.13 (0.18)	- (-)	8.77 (9.11)	24.11 (20.59)

Note:- Refer Notes 19 and 20 for guarantees, collaterals and commitments as at the year end.

- 33 The Group is internally developing new software tools, platforms and content/ courseware. The investments would further expand the business of the Group in existing and new markets, enhance capabilities of its products and software and offer more technology based learning products/ solutions to the customers in future. The Group is confident of its ability to generate future economic benefits out of the above mentioned assets. The costs incurred towards the development is as follows:

(Rs. Million)

Description	Year ended	
	March 31, 2016	March 31, 2015
Salary and Other employee benefits	101.49	106.84
Professional & Outsourcing Expenses	7.15	20.45
Rent	4.71	11.17
Other Expenses	10.27	7.58
Total	123.62	146.04

34 SEGMENT INFORMATION

Primary Segment Information – Business Segment

The sub businesses are fully aligned to global learning business of the Group and the same are being viewed by the management as a single primary segment, i.e. learning business segment.

Secondary Segment Information – Geographical

The secondary segment information in relation to the geographies is as follows:

(Rs. Million)

Particulars	Revenue from customers by location of customers	Carrying amount of segment assets by location of the assets	Additions to fixed assets
India	3,695.60 (4,191.66)	10,626.57 (9,677.78)	336.50 (333.97)
America	3,396.27 (2,777.22)	1,542.76 (1,245.58)	88.40 (111.75)
Europe	2,242.68 (2,070.33)	731.26 (425.61)	12.23 (2.17)
Rest of the World	733.97 (534.61)	504.81 (359.81)	37.73 (2.70)
Total	10,068.52 (9,573.82)	13,405.40 (11,708.78)	474.86 (450.59)

Previous year figures are given in parenthesis.

35 LEASES

a) Operating Leases:

Total of future Minimum Lease Payments under non-cancelable leases outstanding at the Balance Sheet date:

(Rs. Million)

Particulars	As at	
	March 31, 2016	March 31, 2015
Not later than 1 year	44.71	139.88
Later than 1 year but not later than 5 years	123.21	175.89
Later than 5 years	2.20	14.56

Aggregate payments during the year under operating leases in respect of equipments, vehicles and premises for office and employees accommodation amounting to Rs. 683.19 Million (Previous year Rs. 685.29 Million).

Sub lease receipts recognised in the Consolidated Statement of Profit and Loss for the year amounting to Rs. 0.08 Million (Previous year Rs. 0.23 Million). The sublease has been netted off against the respective lease rental expenses in the Consolidated Statement of Profit and Loss.

b) Finance Leases:

- Asset acquired under finance lease comprising of plant & machinery, office equipments furniture & fixtures and Intangibles. There are no exceptional/ restrictive covenants in the lease agreements.
- The minimum lease payment outstanding and their present value at the balance sheet date in respect of plant and machinery and furniture and fixtures that have been capitalised are as follows:

(Rs. Million)

Particulars	As at	
	March 31, 2016	March 31, 2015
Not later than 1 year		
Minimum lease payments	-	15.51
Finance charges	-	1.04
Present value of lease payments	-	14.47
Later than 1 year but not later than 5 years		
Minimum lease payments	-	4.85
Finance charges	-	0.26
Present value of lease payments	-	4.59
Total		
Minimum lease payments	-	20.36
Finance charges	-	1.30
Present value of lease payments	-	19.06

- 36 The net worth of NIIT Yuva Joyti Limited ("NYJL") is eroded as at the year end. NYJL is entering into contracts with the entities in the private sector as well as with state governments in order to expand its reach and at the same time enhancing its course offerings. National Skills Development Council (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 committed operational and financial support from the Holding Company, NIIT Limited, the financial statements of NYJL have been prepared on a going concern basis.
- 37 NYJL 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 till March 31, 2016. NYJL has incurred Rs. 75.96 Million (Previous year Rs. 36.28 Million) during the year. The balance amount of Rs. Nil (Previous year 75.96 Million) is included in Other Payables under the head Other Current Liabilities.
- 38 In consideration of National Skill Development Corporation ("NSDC") supporting the skill development activities and initiatives of NYJL, inter-alia, by way of tangible and intangible support, NYJL has entered into a revenue sharing agreement with NSDC. In terms of this agreement, NYJL has agreed to share certain percentage of its operating revenue with NSDC beginning April 1, 2017.
- 39 The net worth of NIIT Institute of Finance Banking and Insurance Training Limited ("NIFBIT") is partially eroded as at the year end, however NIFBIT has shown substantial improvement in the financial position during the year. Based on such future plans, orders in pipeline etc., Financial Statements of NIFBIT's have been prepared on a going concern basis.
- 40 The Board of Directors of NIIT (USA) Inc., at its meeting held on December 1, 2014 approved a Plan of Merger ('the Merger') between the NIIT (USA) Inc., and its erstwhile subsidiary, NIIT Ventures Inc., USA (also, referred to as 'the transferor company), for the streamlining of the group structure. This merger was effective from December 1, 2014 as approved by the Secretary, State of Georgia vide their certificate dated December 2, 2014. Pursuant to the Merger plan, the businesses of the transferor company, together with all the properties, assets, rights, liabilities and interest therein were transferred to and vest in the NIIT (USA) Inc., as a going concern, with effect from December 1, 2014. The Merger was accounted for using 'Pooling of Interest' method as set out in Accounting Standard (AS) 14 Accounting for Amalgamations. As the subsidiary was a part of the Group, there was no impact in these consolidated financial statements.
- 41 The net worth of Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited) stood significantly eroded as at March 31, 2016. However as result of transfer of Undertaking, pursuant to the Scheme of Arrangement in financial year 2014-15, Board of the Directors of the Company are confident that based on the future business projections of School business, the future outlook of the company looks bright and is expected to witness improved performance in following years. Further, the Holding Company has also committed financial and operational support to the Company. Accordingly Mindchampion Learning System Limited's Financial Statements have been prepared on an going concern basis.
- 42 During the year, the Holding Company has established a new subsidiary in the name of "NIIT Ireland Limited" by investing an amounting to Rs. 10.78 Million. During the year, NIIT Ireland Limited has incurred loss. Based on future plans and committed support from Holding Company the financial statements of NIIT Ireland Limited have been prepared on going concern basis.
- 43 **Derivative Instruments**
- a) During the year, the Holding Company has taken currency and interest rate swap to hedge the currency and interest rate risk in respect of foreign currency term loan for the entire tenure of the loan. The interest rate has been fully hedged at a fixed rate as per the agreement.
- b) The following table summarises the movement of the principal swap during the year:
- | Particulars | March 31, 2016 | March 31, 2015 |
|---------------------------------------------|----------------|----------------|
| | (USD Mn) | (USD Mn) |
| Opening balance as at beginning of the year | 16.05 | 12.00 |
| Additions during the current year | 9.05 | 16.05 |
| Matured during the year | - | (12.00) |
| Closing balance as at the end of the year | 25.10 | 16.05 |
- c) An amount of Rs. 52.87 Million (Previous year Rs. 45.95 Million) (net) has been charged to Hedging Reserve in the Balance Sheet excluding Share in Hedging Reserve of Associates amounting to Rs. 1.47 Million (Previous year Rs. 9.98 Million) (Refer Note 4).

44 Disclosures mandated by Schedule III by way of additional information

Name of the entity	Year	Net Assets		Share in Profit or (Loss)	
		As % of Consolidated net assets	Amount (Rs Million)	As % of Consolidated profit or loss	Amount (Rs Million)
Parent Company					
NIIT Limited	2016	8.90	723.88	(24.58)	(165.25)
	2015	11.45	842.68	47.26	(654.71)
Indian Subsidiaries					
1. Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Limited)	2016	6.09	495.28	(2.50)	(16.85)
	2015	5.92	435.93	30.44	(421.64)
2. NIIT Institute of Finance Banking and Insurance Training Limited	2016	0.65	52.93	9.35	62.86
	2015	(0.02)	(1.23)	4.55	(63.01)
3. NIIT Institute of Process Excellence Limited	2016	1.61	130.65	4.56	30.65
	2015	1.46	107.67	(2.68)	37.14
4. NIIT Yuva Jyoti Limited	2016	(1.62)	(131.41)	(6.30)	(42.33)
	2015	(1.21)	(89.07)	6.81	(94.30)
Foreign Subsidiaries					
1. NIIT (USA) Inc., USA	2016	8.83	718.77	11.14	74.93
	2015	8.16	600.54	(5.10)	70.60
2. NIIT Limited, UK	2016	0.37	30.23	4.56	30.69
	2015	0.05	3.50	1.42	(19.65)
3. NIIT Antilles NV	2016	1.44	117.10	0.04	0.29
	2015	1.34	98.82	21.47	(297.40)
4. NIIT Malaysia Sdn. Bhd	2016	0.66	53.54	1.15	7.72
	2015	0.61	45.18	(0.37)	5.13
5. NIIT GC Limited	2016	(0.06)	(4.67)	(0.47)	(3.16)
	2015	(0.02)	(1.39)	0.20	(2.80)
6. NIIT China (Shanghai) Limited	2016	(0.09)	(7.74)	4.82	32.39
	2015	(0.59)	(43.48)	12.33	(170.86)
7. NIIT WuXi Service Outsourcing Training School	2016	0.35	28.19	(0.87)	(5.83)
	2015	0.49	35.99	4.24	(58.72)
8. WuXi NIIT Information Technology Consulting Limited	2016	(0.02)	(2.00)	(0.00)	(0.03)
	2015	(0.03)	(1.95)	(0.00)	0.03
9. Chongqing NIIT Education Consulting Limited	2016	(0.11)	(8.90)	0.84	5.68
	2015	(0.21)	(15.66)	1.13	(15.69)
10. Changzhou NIIT Information Technology Consulting Limited	2016	0.17	13.40	1.24	8.35
	2015	0.10	7.36	(0.20)	2.71
11. Su Zhou NIIT Information Technology Consulting Limited	2016	0.31	25.40	0.44	2.98
	2015	0.32	23.23	(1.46)	20.17
12. PT NIIT Indonesia (Under Liquidation)	2016	-	-	-	-
	2015	-	-	-	-
13. NIIT West Africa Limited	2016	(0.48)	(38.69)	0.70	4.69
	2015	(0.46)	(33.74)	0.61	(8.44)
14. Qingdao NIIT Information Technology Company Limited	2016	(0.00)	(0.39)	(0.41)	(2.79)
	2015	0.03	2.35	0.83	(11.49)
15. Chongqing An Dao Education Consulting Limited	2016	0.10	8.37	0.60	4.04
	2015	0.14	10.50	(0.48)	6.70
16. Zhangjiagang NIIT Information Services Limited	2016	0.17	14.09	1.67	11.23
	2015	0.08	5.88	(0.28)	3.89
17. Chengmai NIIT Information Technology Company Limited	2016	0.09	7.42	0.25	1.70
	2015	0.08	5.59	(0.07)	0.96
18. Dafeng NIIT information technology Co., Limited	2016	(0.01)	(0.79)	0.20	1.32
	2015	-	-	-	-
19. Guizhou NIIT Information Technology Consulting Company Limited	2016	-	-	-	-
	2015	-	-	-	-
20. NIIT Ireland Limited	2016	0.06	5.01	(0.86)	(5.80)
	2015	-	-	-	-

Name of the entity	Year	Net Assets		Share in Profit or (Loss)	
		As % of Consolidated net assets	Amount (Rs Million)	As % of Consolidated profit or loss	Amount (Rs Million)
Minority Interest in all subsidiaries					
Indian					
1. NIIT Institute of Finance Banking and Insurance Training Limited	2016	0.17	13.41	(1.91)	(12.88)
	2015	0.01	0.89	(0.90)	12.40
2. NIIT Institute of Process Excellence Limited	2016	0.54	43.57	(1.14)	(7.66)
	2015	0.49	35.90	0.67	(9.29)
3. NIIT Yuva Jyoti Limited	2016	-	-	-	-
	2015	-	-	(0.01)	0.08
4. NIIT Online Learning Limited	2016	-	-	-	-
	2015	-	-	(0.06)	0.84
Foreign					
1. NIIT WuXi Service Outsourcing Training School	2016	0.34	27.25	0.01	0.07
	2015	0.25	18.68	(1.48)	20.46
2. WuXi NIIT Information Technology Consulting Limited	2016	0.02	1.98	(0.00)	(0.01)
	2015	0.03	1.98	0.00	(0.01)
3. Chongqing NIIT Education Consulting Limited	2016	0.00	0.14	-	-
	2015	0.02	1.62	(0.01)	0.17
4. Changzhou NIIT Information Technology Consulting Limited	2016	(0.01)	(0.58)	(0.35)	(2.39)
	2015	(0.01)	(0.58)	0.06	(0.77)
5. Su Zhou NIIT Information Technology Consulting Limited	2016	(0.02)	(1.43)	(0.12)	(0.85)
	2015	(0.02)	(1.43)	0.42	(5.76)
6. Chongqing An Dao Education Consulting Limited	2016	(0.02)	(1.33)	(0.16)	(1.05)
	2015	0.02	1.53	0.13	(1.74)
7. Zhangjiagang NIIT Information Services Limited	2016	0.02	1.73	(0.48)	(3.21)
	2015	0.02	1.73	0.08	(1.11)
8. Dafeng NIIT information technology Co., Limited	2016	0.02	1.73	(0.07)	(0.38)
	2015	-	-	-	-
Associate					
1. NIIT Technologies Limited	2016	71.53	5,820.14	98.64	663.24
	2015	71.47	5,258.46	(19.55)	270.79
Total	2016	100.00	8,136.28	100.00	672.36
	2015	100.00	7,357.48	100.00	(1,385.32)

45 Previous year figures, to the extent feasible, have been regrouped/ recast wherever necessary to conform to the current year's classification.

Signatures to Notes ' 1 ' to ' 45 ' above of these Financial Statements.

For and on behalf of the Board

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

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

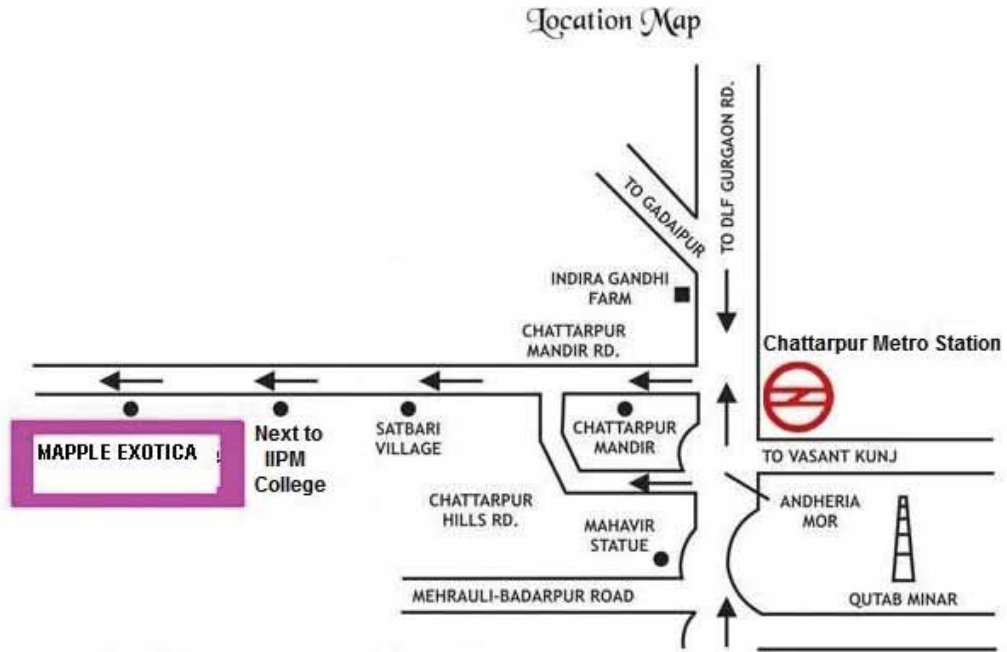
Anupam Dhawan
Partner
Membership No. 084451

Rohit Kumar Gupta
Chief Financial Officer

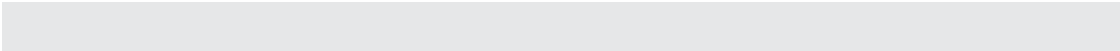
Arpita Bisaria Malhotra
Company Secretary

Place : New Delhi

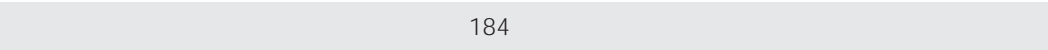
Date : May 10, 2016



Chatrapur Mandir to Mapple Exotica Around 4Km



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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

33rd Annual General Meeting – August 01, 2016

Name of the Member(s):

Registered Address:

Email:

DP ID:

Folio No. / Client ID No.:

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1) Name: _____ Address: _____

_____ E-mail Id: _____

Signature: _____

or failing him/her

2) Name: _____ Address: _____

_____ E-mail Id: _____

Signature: _____

or failing him/her

3) Name: _____ Address: _____

_____ E-mail Id: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Monday, August 01, 2016 at 10.00 A.M. IST at Mapple Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi – 110 074 and at any adjournment thereof in respect of such resolutions as are indicated below:

NIIT Limited

CIN: L74899DL1981PLC015865

Regd. Office : 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019

NIIT

Proxy Form Cont...

Resolution Number	Resolution	Vote (Optional see Note 2)		
		No. of shares	For	Against
Ordinary Business				
1	Adoption of : (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Reports of the Auditors and the Directors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Report of the Auditors thereon.			
2	Appoint a Director in place of Mr. Rajendra S Pawar (DIN: 00042516), who retires by rotation and being eligible, offers himself for re-appointment.			
3	Ratify the appointment of M/s Price Waterhouse, Chartered Accountants, (Firm Registration Number FRN301112E) as Statutory Auditors of the Company.			
Special Business				
4	Ratification of remuneration of Cost Auditor.			

Signed this _____ day of _____ 2016

Signature of Member _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp not less than Re.1/-

Notes:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, either in person or through post, not later than 48 hours before the commencement of the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the For/Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. A proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes. In case, both the member and proxy attend the meeting, the proxy shall automatically stand revoked.
5. The Proxy Forms which does not state the name of proxy and/or which are undated, unstamped or inadequately stamped or upon which the stamps have not been cancelled shall not be considered as valid.
6. Proxy-holder shall carry his/her identity proof (Driving License, Aadhaar Card, Voter ID Card, Passport, PAN Card) in order to prove his/her identity at the Annual General Meeting.
7. In case the meeting gets adjourned, the proxy given for the adjourned meeting shall revoke the proxy for the original meeting.
8. A proxy later in date shall revoke any proxy/proxies dated prior to such proxy.
9. For the resolutions, statement pursuant to Section 102 of the Companies Act, 2013 and notes, please refer Notice of the 33rd Annual General Meeting.

NIIT Limited

CIN: L74899DL1981PLC015865

Regd. Office : 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019

NIIT

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INVESTORS' FEEDBACK FORM

Dear Shareholder,

We are constantly making efforts to render best services to our respected and valued shareholders. In order to enable us to render best services to you, we want you to give your feedback on the quality of services rendered by us. You are requested to spare some time to fill up the feedback form below and submit it to us. It will enable us to improve the quality of our services and meet your expectations.

Thanks & Regards,

Sd/-

Arpita B Malhotra

Company Secretary

INVESTORS' FEEDBACK FORM

(Please tick [v] the appropriate item and complete the form in CAPITAL LETTERS)

Kindly superscribe the envelope containing this form with "INVESTORS' FEEDBACK FORM" and send it to:

Company Secretary

NIIT Limited, 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019

*Mandatory fields

Category of Investor : Body Corporate FII Mutual Fund Individual

Name of the Sole/First holder*	
Address*	
Folio No. ^ For Physical Holding	
DP ID and Client ID ^ (8+8 digit codes for NSDL / 16 digit code for CDSL)	
Number of shares held*	
Phone No. with STD Code	
E- mail*	

^ Either Folio No. or DP ID and Client ID should be mandatorily given.

1. Do you receive the annual report at least 15 days before the date of AGM? Yes No

2. Do you receive the dividend within 30 days of the holding of the AGM? Yes No

3. Response time and satisfaction level you have experienced in:

	Area of Service	Time Limits				Don't Know/ Can't say
		within 7 days	Within 15 days	Within 30 days	More than 30 days	
A	Transfer of Shares					
B	Transmission of Shares					
C	Revalidation of Dividend Warrant					
D	Reply to Queries					
E	Redressal of Complaints					

INVESTORS' FEEDBACK FORM

4. Area of Service

	Area of Service	Rating				Don't know/ Can't say
		4 (Excellent)	3 (Good)	2 (Average)	1 (Poor)	
1.	Quality and contents of Annual Report for the year 2015-16					
	A. Report on Corporate Governance					
	B. Management Discussion and Analysis					
	C. Balance Sheet, Profit and Loss Account and other financial statements					
2.	Investor Services Section of the Company's Website (www.niit.com)					
	A. Utility of Contents					
	B. Clarity					
	C. Appearance					
	D. Navigation and ease of use					
3.	Interaction with Company Officials					
	A. Comfortable/Polite/Empathetic					
	B. Speed of Response					
	C. Solution to problems/queries					
4.	Registrar & Transfer Agents (RTA) (M/s Alankit Assignments Limited, Delhi)					
	A. Speed of Response					
	B. Solution to problems/queries					

5. Overall Rating on the quality of our services 4 – Excellent 3 - Good 2 - Average 1 – Poor

6. What in your view are the growth drivers for the Company?

7. In your opinion, what is the key area of concern for the Company?

8. Any other Comments:

AMERICAS

United States of America
Principal Office:
NIIT (USA) Inc.
1050 Crown Pointe Parkway
Suite 300
Atlanta, GA 30338, USA
Phone: +1 770 551 9494
Fax: +1 770 551 9229

NIIT Cognitive Arts
500, Davis Street, Suite 650
Evanston IL 60201, USA
Phone: +1 847 425 8500
Fax: +1 847 425 8510

NIIT Antilles NV
Landhuis Joonchi
Kaya Richard J Beaujon z/n
PO Box 837, Willemstad
Curacao
Phone: +00 5999 7331800

NIIT Learning Solutions (Canada)
Limited
1200, Waterfront Center, 200
Burrard Street, Vancouver BC
VTX 172
Canada
Phone: +1 888 454 6448

EUROPE

United Kingdom
NIIT Limited
2nd Floor, 47 Mark Lane
London EC3R 7QQ
United Kingdom
Phone: +44 207 002 0700
Fax: +44 207 002 0701

NIIT Limited UK
(Niederlassung Deutschland)
Leonardo-da-Vinci-Allee 3
60486 Frankfurt am Main
Germany
Phone: +0049 0 69 174871
Fax: +0049 0 69 174872

NIIT Limited (Norway Branch)
C/o Advokatene I Hurum MNA
Asveien 9, 3475 Saetre
Norway
Phone: +44-20700-20700
Fax: +44-20700-20701

NIIT Limited UK
(Netherlands Branch)
Kingsfordweg 151
1043GR, Netherlands
Phone: +44-20700-20700
Fax: +44-20700-20701

NIIT Limited, Ireland
SEAI Building, DCU Innovation
Campus Old Finagles Road,
Glasnevin,
Dublin 11
Phone: +353 0 1699 3450

ASIA

India
• NIIT Limited
• NIIT Institute of Finance Banking
and Insurance Training Limited
• NIIT Institute of Process
Excellence Limited
• NIIT Yuva Jyoti Limited
• Mindchampion Learning
Systems Limited

Registered Office:
NIIT Limited
8, Balaji Estate, First Floor
Guru Ravi Das Marg, Kalkaji
New Delhi 110 019

India
Phone: +91 11 41675000
Fax: +91 11 41407120

Corporate Office
NIIT Limited
85, Sector 32 Institutional
Gurgaon 122 001
India
Phone: +91 124 4293000
Fax: +91 124 4293333

China
NIIT China (Shanghai) Ltd.
7A, Long Feng Mansion
1566, Yan An West Road
Shanghai 200052, PRC
Phone: +86 21 52581540
Fax: +86 21 52581541

Guizhou NIIT Information
Technology Consulting Co., Ltd.
7th floor, High-end Equipment
Industrial Park Avenue, Gui'an New
Area, Guiyang, Guizhou Province
Phone: +86-0851-88556146
Fax: +86-0851-88556145

Malaysia
NIIT Malaysia Sdn Bhd
6th Floor, Plaza See Hoy Chan
Jalan Raja Chulan
50200 Kuala Lumpur, Malaysia
DID: +603 2050 1955
Tel: +603 2050 1888
Fax: +603 2031 8618

NIIT (USA) Inc Singapore Branch
1, North Bridge Road # 19 04-05
High Street Center
Singapore 179094
Phone: +65 63372472
Fax: +65 63382844

AFRICA

Mauritius
NIIT GC Ltd.
6th Floor, Tower A,
1 CyberCity,
Ebene, Mauritius
Phone: +230 403 6000
Fax: +230 403 6060

South Africa
NIIT Antilles NV Branch
7 Forbes Street, Midstream Estate
Ekurhuleni, Gauteng, 1692
South Africa
Phone: +27 (12) 9409165

Nigeria
NIIT West Africa Ltd.
29, Ogunlowo Street
Off Obafemi Awolowo Way
Ikeja, Lagos
Nigeria
Phone: +234 701 7099077

AUSTRALIA

Sydney
NIIT (USA) Inc.
Level 7, 10 Barrack Street
Sydney, NSW 2000
Phone: +02 9392 8686
Fax: +02 9299 8195



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