

NIIT Technologies Co. Ltd., Japan

Balance Sheet as at 31st March 2011

Particulars	Schedule No	As at 31st March 2011		As at 31st March 2010	
		(INR)	(INR)	(INR)	(INR)
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Share Capital	1	219,236,349		196,755,039	
Reserve & Surplus	2	<u>(184,405,074)</u>	34,831,275	<u>(153,332,256)</u>	43,422,783
Foreign Currency Translation Reserve					471,185
TOTAL			<u>34,831,275</u>		<u>43,893,968</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	3	1,007,397		3,048,031	
Less: Depreciation		<u>518,007</u>		<u>2,621,962</u>	
Net Block			489,390		426,069
CURRENT ASSETS LOANS & ADVANCES					
Sundry Debtors	4	1,151,074		2,753,759	
Cash & Bank Balances	5	35,409,427		51,120,566	
Other Current Assets	6	788,015		592,790	
Loans & Advances	7	<u></u>		<u>-</u>	
		37,348,516		54,467,115	
Less: CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	8	2,738,531		10,708,718	
Provisions	9	<u>268,100</u>		<u>290,498</u>	
NET CURRENT ASSETS			<u>34,341,885</u>		<u>43,467,899</u>
TOTAL			<u>34,831,275</u>		<u>43,893,968</u>

NOTES TO ACCOUNTS

16

The Schedules referred to above form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date

NOTE: BALANCE SHEET has been converted at the closing rate as at 31 MARCH 2011 being : 1 JPY= .5362 INR

NIIT Technologies Co. Ltd., Japan

Profit & Loss Account for the year ended 31st March 2011

Particulars	Schedule No	Current Year (INR)	Previous Year (INR)
INCOME			
Revenue from Operations	10	27,483,454	46,450,186
Other Income	11	833,713	3,690,757
		<u>28,317,167</u>	<u>50,140,943</u>
EXPENDITURE			
Personnel	12	27,802,021	31,746,689
Development, Production and Execution	13	4,153,656	11,622,039
Administration & Others	14	9,411,041	13,155,403
Marketing	15	300,023	475,006
Depreciation	3	76,088	143,260
		<u>41,742,829</u>	<u>57,142,397</u>
Profit/(Loss) before Tax		(13,425,662)	(7,001,454)
Less: Provision for Income Tax			
-Current		531,600	459,041
-Deferred			
Profit/(Loss) after Tax		<u>(13,957,262)</u>	<u>(7,460,495)</u>
Balance available for appropriation		(13,957,262)	(7,460,495)
APPROPRIATION			
Balance Transferred to General Reserve		<u>(13,957,262)</u>	<u>(7,460,495)</u>

NOTES TO ACCOUNTS

16

The Schedules referred to above form an integral part of the Profit & Loss Account
This is the Profit & Loss Account referred to in our report of even date

NOTE: PROFIT & LOSS ACCOUNT has been converted at the exchange rate for the year 2011 being : 1 JPY= .5316 INR

NIIT Technologies Co. Ltd., Japan

SCHEDULES Annexed to and forming part of the Balance Sheet as at 31st March 2011

Schedule No	Particulars	As at 31st March 2011 (INR)	As at 31st March 2010 (INR)
1	SHARE CAPITAL		
	PAID UP		
	8,093 Equity Shares Fully Paid	219,236,349	196,755,039
		<u>219,236,349</u>	<u>196,755,039</u>
2	RESERVE AND SURPLUS		
	General Reserve		
	As per last Balance Sheet	(170,327,038)	145,871,761
	Add: Transferred from Profit and Loss Account	(14,078,036)	7,460,495
		<u>(184,405,074)</u>	<u>153,332,256</u>

NIIT Technologies Co. Ltd., Japan

SCHEDULES Annexed to and forming part of the Balance Sheet as at 31st March 2011

3 Fixed Assets

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK As at March 31 2011
	As at March 31 2010	During the Period		As at March 31 2011	Translation Adjustment	As at March 31 2010	During the Period		Translation Adjustment	As at March 31 2011	
		Additions	Deletion				Additions	Deletion			
Plant and Machinery	2,256,878	91,385	2,129,575	257,872	476,559	2,206,639	42,066	2,111,306	234,226	371,625	104,934
Furniture & Fixtures	791,153	-	350,712	90,397	530,838	415,323	34,022	347,704	44,741	146,383	384,455
Grand Total	3,048,031	91,385	2,480,287	348,269	1,007,397	2,621,962	76,088	2,459,009	278,967	518,007	489,390

INR

SCHEDULES Annexed to and forming part of the Balance Sheet as at 31st March 2011

Schedule No	Particulars	As at 31st March 2011 (INR)	As at 31st March 2010 (INR)
4	SUNDRY DEBTORS		
	a) Debts outstanding for a period exceeding six months:		
	-considered good		
	-considered doubtful		
	b) Other Debts:		
	-considered good	1,151,074	2,753,759
	-considered doubtful		
	Gross	<u>1,151,074</u>	<u>2,753,759</u>
	Less: Provision for doubtful debts		
	Net	<u>1,151,074</u>	<u>2,753,759</u>
5	CASH & BANK BALANCES		
	Cash in Hand		
	Balances with Banks in:		
	Current Account	32,826,123	38,673,755
	Ordinary Deposit Account	2,073,856	1,860,733
	FC Deposit Account	509,447	10,586,078
		<u>35,409,427</u>	<u>51,120,566</u>
6	OTHER CURRENT ASSETS		
	Interest Receivable		
	Prepayment Expenses	162,457	135,226
	Security Deposits	625,558	457,564
		<u>788,015</u>	<u>592,790</u>
7	LOANS & ADVANCES		
	Loans and Advances Recoverable in Cash or in Kind or for value to be Received- considered good		
	Loans to Affiliates		
8	CURRENT LIABILITIES		
	Sundry Creditors	2,777,136	11,552,885
	Other Liabilities	(38,605)	(844,167)
		<u>2,738,531</u>	<u>10,708,718</u>
9	PROVISIONS		
	Provision for Corporate Tax	268,100	290,498
		<u>268,100</u>	<u>290,498</u>

SCHEDULES Annexed to and forming part of the Profit and Loss Account for the year ended 31st March 2011

Schedule No	Particulars	As at 31st March 2011 (INR)	As at 31st March 2010 (INR)
10	REVENUE FROM OPERATIONS		
	Software Solutions Business	27,483,454	46,450,186
		<u>27,483,454</u>	<u>46,450,186</u>
11	OTHER INCOME		
	Interest Received	15,407	751,145
	FC Fluctuation Gain	538,247	
	Other Non - Operating Income	280,059	2,939,612
		<u>833,713</u>	<u>3,690,757</u>
12	PERSONNEL		
	Salaries and Benefits	27,020,344	31,527,401
	Staff Welfare Expenses	207,549	219,288
	Staff Recruitment Expenses	574,128	
		<u>27,802,021</u>	<u>31,746,689</u>
13	DEVELOPMENT, PRODUCTION & EXECUTION		
	Software Production Charges	4,153,656	11,622,039
	Professional Services for Production		
		<u>4,153,656</u>	<u>11,622,039</u>
14	ADMINISTRATION & OTHERS		
	Rent and Utilities	940,720	1,786,994
	Repair & Maintenance	113,412	2,202,037
	Rates & Taxes		418,068
	Communications	1,611,169	1,612,855
	Legal and Professional	3,751,941	2,958,676
	Travelling and Conveyance	1,924,583	1,743,528
	Bank & Financial Charges	75,562	131,032
	Insurance Premium	313,403	332,809
	Management Services	245,469	340,944
	Printing & Stationery	147,587	149,544
	Subscription & Membership	62,502	52,046
	Miscellaneous Expenses	224,694	163,983
	FC Fluctuation Loss		1,262,887
	Bad Debts		
		<u>9,411,041</u>	<u>13,155,403</u>
15	MARKETING		
	Other Marketing Expenses	300,023	475,006
		<u>300,023</u>	<u>475,006</u>