

GHOSH KHANNA & CO.
CHARTERED ACCOUNTANTS

L-2A, Hauz Khas Enclave, New Delhi-110016, India
Phones: +91 (011) 2696 2981/2 Fax: +91 (011) 2696 2985
E-mail: gkc@vsnl.com website: www.gkcindia.com

AUDITORS' REPORT

THE MEMBERS OF NIIT SmartServe Limited

Report on the Financial Statements

1. We have audited the attached Balance Sheet of M/s NIIT SMARTSERVE LIMITED as at March 31, 2014 and the related Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

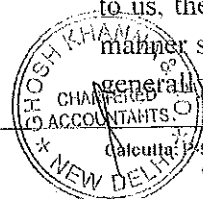
Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards 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.

4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:

Branches:



Calcutta: 5, C. I. T. Road (7th Flr.), Scheme - L. V, Kolkata - 700 014, Tel: +91(033) 2216 8321, Fax: +91 (033) 2216 8320, Email: gkccal@vsnl.com
Chennai: No. 131 Nungambakkam High Road Chennai - 600 034, Tel: +91 (044) 4201 2919, E-mail: gkcchennai@sify.com

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March,2014 and
- ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2003 dated 12th June 2003 as amended by the Companies (Auditor's report) (Amendment) Order, 2004 (together "the order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956 of India (the 'Act) 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 further report that
- i. a. The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets.
b. As per information and explanation given to us, Fixed Assets have been physically verified by the management during the year and no material discrepancies between the book records and physical inventory has been noticed during such verification.
c. In our opinion and according to the information and explanation given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
 - ii. The company does not have any inventory, accordingly clause (ii) of paragraph 4 of order are not applicable to the company.
 - iii. The company has granted unsecured loan, to its holding company covered in register maintained under section 301 of the Act. The maximum amount involved during the year and year-end balance of such loan aggregates to Rs.20 Crores and Rs.20 Crores respectively.

In our opinion the rate of interest and other terms and condition of such loan are not prima facie prejudicial to the interest of the company.



In respect of the aforesaid loans, the party has repaid the principal amount as stipulated and was also regular in the payment of interest, where applicable.

In respect of the aforesaid loan, there is no overdue amount of more than Rupees One Lac.

- iv. There are adequate internal control procedures, commensurate with the size of the Company and the nature of its business. Further on the basis of our examination of the books and records of the company and according to information and explanation given to us, we have neither come across nor have been informed of any continuing major weaknesses in the internal control procedures
- v. (a). Based on the audit procedures applied by us and as per the information and explanations provided by the management, we are of the opinion that the transactions contracts or arrangements that need to be entered in the register maintained under section 301 have been so entered.

(b). According to information & explanation provided to us, transactions entered in pursuance of contracts or arrangements entered in the register in pursuance of Section 301 of the Act, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. The management has informed us that, in case of transactions of a specialized nature, comparable prices are not available.
- vi. The company has not accepted any deposits to which the provisions of section 58-A and 58AA of the Companies Act, 1956 and the rules framed there under are applicable.
- vii. As per the information and explanation obtained from the management, the company has effective and efficient internal audit system commensurate to the size of the Company and nature of business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under the clause (d) of section 209 of the Act, for any of the products of the company.
- ix. (a). According to the information and explanation given to us and records examined by us, the Company has regularly deposited, during the year, Income Tax and other statutory dues with the appropriate authorities in India. As at the last day of Financial Year, there were no arrears of outstanding statutory dues for a period of more than six months from the date they became payable.



(b). According to the information and explanation given to us and based on records examined by us there are no dues of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess, which have not been paid on account of any dispute.

- x. The company has accumulated losses as at 31st March 2014 amounting to Rs.10,065,231 and it has not incurred any cash losses in the financial year ended on the date or in the immediately preceding financial year. Accordingly, the company is not a sick company, as per the clause O sub section (1) of Section 3 of Sick Industrial Companies Act, 1985.
- xi. Based on information & explanation obtained and audit procedure, the company has not obtained any loans from financial institutions or banks or debenture holders.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to chit fund/ nidhi/mutual benefit fund/societies are not applicable to the company.
- xiv. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. As per the information and explanation provided by the management, the company did not obtain any term loan during the year,
- xvii. Based on an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- xviii. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix. The company did not have any debentures outstanding during the year.
- xx. The company has not raised any money by public issues during the year.



As per information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

7. As required by section 227(3) of the Act we report that:
- a. We have 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 appears from our examination of those books;
 - c. The Balance Sheet, statement of profit and loss accounts and cash flow statement dealt with by this report are in agreement with the books of account;
 - d. On the basis of written representations received from the Directors as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act; 1956.
 - e. In our opinion, these accounts have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Act.

For GHOSH KHANNA & CO.
Firm Registration No: 003366N
CHARTERED ACCOUNTANTS



A handwritten signature in black ink, appearing to read "Amit Mittal".

Amit Mittal
PARTNER

Membership No.508748

Place: New Delhi
Date: 21st April, 2014

NIIT SMARTSERVE LIMITED

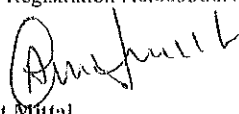
Balance Sheet as at 31st March 2014

	PARTICULARS	Notes	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital	3	500,000,000	500,000,000
	Reserves and surplus	4	(10,065,231)	(73,927,459)
2	Non-current liabilities			
	Long-term borrowings	5	2,956,523	3,410,602
	Long-term provisions	6	7,810,571	9,821,037
3	Current liabilities			
	Trade Payables	7	22,099,770	18,823,842
	Other current liabilities	7	27,472,890	14,558,065
	Short-term provisions	6	2,762,507	3,336,653
	TOTAL		553,037,030	476,022,740
II	ASSETS			
1	Non-current assets			
	Fixed assets	8		
	Tangible assets		41,683,714	56,872,579
	Intangible assets		3,410,485	4,623,603
	Deferred tax assets (net)	9	5,750,486	28,526,583
	Long-term loans and advances	10	113,949,880	57,420,466
	Other non-current assets	12	45,654,546	164,736,893
2	Current assets			
	Trade receivables	11	61,595,071	56,653,068
	Cash and bank balances	13	68,031,936	47,040,913
	Short-term loans and advances	10	211,213,802	47,152,226
	Other current assets	12	1,747,080	12,996,411
	TOTAL		553,037,030	476,022,740

The accompanying notes 1-27 are an integral part of the financial statement.
This is the Balance Sheet referred to in our report of even date.


For and on behalf of the Board of Directors of NIIT SmartServe Limited

For and on behalf of
Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No.003366N


Amit Mittal
Partner
Membership No. 508748

Place : New Delhi
Date : 21st April, 2014




Rajendra S. Parivar
Director
DIN: 00042516


Arvind Thakur
Managing Director
DIN: 00042534


Barkha Sharma
Company Secretary

NITT SMARTSERVE LIMITED

Statement of Profit & Loss for the year ended 31st March 2014

	PARTICULARS	Notes	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
I.	INCOME			
	Revenue from Operations	14	474,568,052	427,105,575
II.	Other Income	15	25,044,071	20,928,673
III.	Total Revenue (I + II)		499,612,123	448,034,248
IV.	EXPENDITURE			
	Employee Benefit Expenses	16	208,689,238	214,781,046
	Administration and Other Operating Expenses	17	162,149,938	162,963,111
	Selling and Marketing Expenses	18	201,876	584,364
	Finance Expenses	19	597,213	549,305
	Depreciation and Amortization Expenses	8	32,944,269	28,987,142
	Total Expenses		404,582,534	407,864,968
V.	Profit before exceptional and extraordinary items and tax (III-IV)		95,029,589	40,168,980
VI.	Exceptional and Extraordinary items			
VII.	Profit before tax (V- VI)		95,029,589	40,168,980
VIII.	Tax expense:			
	(1) Current tax		19,234,630	5,745,191
	(3) Deferred tax		22,776,097	11,768,676
	(4) MAT Credit Entitlement		(10,843,365)	(5,745,191)
IX.	Profit for the year (VII - VIII)		63,862,227	28,400,304
X.	Earnings per equity share (Face Value Rs. 10/- each):			
	(1) Basic		1.28	0.57
	(2) Diluted		1.28	0.57

The accompanying notes 1-27 are an integral part of the financial statement.

This is the Profit & Loss Account referred to in our report of even date.


For and on behalf of
Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No. 003366N


Amit Mittal
Partner
Membership No. 508748



For and on behalf of the Board of Directors of NITT SmartServe Limited


Rajendra S Pawar
Director
DIN: 00042516


Arvind Thakur
Managing Director
DIN: 00042534


Brijendra Sharma
Company Secretary

Place: New Delhi
Date: 21st April, 2014

CIN No: U72900DL2002PLC114946

NIT SMARTSERVE LIMITED

Cash Flow Statement for the year ended 31st March 2014

		Year ended 31st March 2014 Rs.		Year ended 31st March 2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before Tax and share of Associates' profits but after exceptional items		95,029,589		40,168,980
Non-cash adjustment to reconcile profit before tax to net cash flows				
Depreciation and Amortisation	32,914,269		28,987,142	
Interest Expenses	597,213		549,305	
Interest Income	(16,602,290)		(17,155,483)	
(Profit)/ Loss on Fixed Assets sold	327,951		79,013	
Provision for Doubtful Debts	(255,916)		599,988	
Provision for Gratuity & Compensated Absences	(2,584,612)		1,359,067	
Foreign Exchange Adjustments	(7,386,342)	7,140,273	(3,030,747)	13,388,225
Operating profit before working capital changes		102,169,862		53,557,205
Movement in Working Capital				
Decrease/(increase) in Trade Receivables	(4,942,003)		16,672,359	
Loans and Advances & Other Current Assets	(9,341,660)		(30,581,407)	
Current Liabilities and Provisions	15,205,807	922,145	3,217,571	(10,691,377)
Net cash flow from/(used in) Operating activities (A)		103,092,007		42,865,829
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets (including Capital Work-in-progress)	(17,832,482)		(12,826,483)	
Proceeds from sale of Fixed Assets	962,215		3,285,857	
Loan given to NIT Technologies Limited, India	(200,000,000)		-	
Interest Received	16,602,290	(200,267,977)	17,155,483	7,614,857
Net cash used for Investing activities (B)		(200,267,977)		7,614,857
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Vehicle Loans repaid during the year	(2,177,399)		(1,296,141)	
Vehicle Loan raised during the year	1,859,259		2,710,225	
Interest Paid (including financing charges on finance lease arrangements)	(597,213)	(915,353)	(549,305)	864,779
Net cash from / (used in) Financing activities (C)		(915,353)		864,779
Net Increase/(Decrease) in Cash & Cash equivalents (A) + (B) + (C)		(98,091,324)		51,345,465
Adjustment on account of Foreign Exchange Fluctuations				3,000,747
Cash and Cash equivalents as at the beginning of the year (Note 1)		211,777,806		157,401,594
Cash and cash equivalents as at the end of the year (Note 1)		113,686,482		211,777,806
Notes:				
1 Cash and cash equivalents as on		31st March 2014		31st March 2013
		Rs.		Rs.
Cash, Cheques & Drafts (in hand) and Remittances in transit		50,051,634		14,292,040
Balances with banks - In Current Account		5,944,204		10,106,523
Balances with banks - In Deposit Account		57,690,645		187,179,242
		113,686,482		211,777,806

- The above Cash flow statement has been prepared under the indirect method as set out in Accounting Standard 3 as notified under Section 211(3C) of The Companies Act, 1956
- The Notes 1 - 27 form an integral part of the Cash Flow Statement.
- Previous year figures, to the extent feasible, have been regrouped/recast wherever necessary to conform to the current year's classification. This is the Cash Flow Statement referred to in our report of even date.

For Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No. : 003366N

Anil Mittal
Partner
Membership No 0508748

Place New Delhi
Date : 21st April, 2014



For and on behalf of the Board of Directors of NIT SmartServe Ltd

Rajendra S. Pawar
Director
DIN - 00942516

Burisha Sharma
Company Secretary

Aryvind Thakur
Director
DIN - 00042534

CIN No: U72900DL2002PLC114946

NIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

1) Basis of Preparation

The financial statements are prepared on an accrual basis under historical cost convention approach and in accordance with the generally accepted accounting principles in India and provisions of the Company Act 1956 read with Companies (Accounting Standard) Rules, 2006. The disclosure requirements as specified in the Schedule VI to the Companies Act, 1956 have been complied with to the extent practicable.

2) Statement on Significant Accounting Policies

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

(i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financials statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(ii) Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost.

Depreciation is charged on a pro-rata basis on the straight-line method over the estimated useful lives of the assets determined as follows:-

Leasehold Improvements	3 years or lease period whichever is lower
Desktops/low configuration workstations and related accessories and software	2-5 years
File servers, high ended workstations/servers, networking equipments, related accessories and software	4-5 years
All other assets	Rates prescribed under schedule XIV to the Companies Act, 1956



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

(iii) Investments

Long Term investments are valued at their acquisition cost. Any decline in the value of the said investments, other than a temporary decline is recognized and charged to Profit and Loss Account. Short-term investments are carried at cost or their market value whichever is lower.

(iv) Revenue Recognition

As a consistent practice, the company recognizes revenue on accrual basis. Revenue in respect of IT enabled services is recognized based on services performed in accordance with specific agreements with the customers.

(v) Other Income

Interest: Interest on Loans and Fixed Deposits are booked on time proportion basis taking into account the amounts invested and rate of interest.

(vi) Employee Benefits

a) Retirement Benefit Plans:

- Provident Fund

The company had obtained permission dated 13th August 2009 from the office of Regional Provident Commissioner, New Delhi for participation into NIIT Technologies Limited Employees Provident Fund Trust. Accordingly the company is making Provident Fund contribution to the Trust benefit during the current year. It 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 investment of the Trust and interest rate notified every year by the Government. The Company's obligation in this regard is 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 Company's contribution towards provident fund is charged to Profit and Loss Account.



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

- Superannuation

The Company has made defined contribution to a Trust established for the purpose by NIIT Technologies Limited. The Company has no further obligation beyond its monthly contributions.

- Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. Actuarial gains and losses arising from changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arise.

b) Compensated Absences:

Liability in respect of compensated absences is provided both for encashable leave and those expected to be availed based on actuarial valuation, which considers undiscounted value of the benefits expected to be paid/availed during the next one year and appropriate discounted value for the benefits expected to be paid/availed after one year.

(vii) **Foreign Currency Transactions**

Initial Recognition

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Conversion

All outstanding monetary assets and liabilities in foreign currency are restated at the year end rate.

Exchange Differences

Gain/Loss arising out of fluctuation on realization/repayment/restatement, except those identifiable to acquisition of fixed assets is charged / credited to the Profit and Loss Account. Gain/loss on account of exchange fluctuations identifiable to fixed assets acquired is adjusted against the carrying value of the related fixed asset.



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

(viii) Leases

Lease rental in respect of operating lease arrangements are charged to expense when due as per the terms of the related agreement.

The company has not taken any assets on finance lease.

(ix) Provisions and contingencies

The Company creates a provision when there is a 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.

(x) Taxation

Tax expense comprising of both current tax and deferred tax is included in determining the net results for the year. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognized and carried forward only to the extent, there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Current tax is determined based on the provisions of Income-tax Act, 1961.

(xi) Cash and cash Equivalents

In the Cash Flow Statement, cash and cash equivalent includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



NIT SMARTSERVE LIMITED

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

3	SHARE CAPITAL		As at 31st March 2014 Rs.		As at 31st March 2013 Rs.
	Authorised 50,000,000 Equity Shares of Rs. 10/- each (Previous year 50,000,000 Equity Shares of Rs. 10/- each)		500,000,000		500,000,000
			500,000,000		500,000,000
	Issued 50,000,000 Equity Shares of Rs. 10/- each (Previous year - 50,000,000 Equity Shares of Rs. 10/- each)		500,000,000		500,000,000
			500,000,000		500,000,000
	Subscribed and fully paid 50,000,000 Equity Shares of Rs. 10/- each (Previous year - 50,000,000 Equity Shares of Rs. 10/- each)		500,000,000		500,000,000
			500,000,000		500,000,000

3.1	Reconciliation of the number of shares outstanding				
	Equity Shares				
	Shares outstanding at the beginning of the year		50,000,000		50,000,000
	Shares issued during the year		-		-
	Shares bought back during the year		-		-
	Shares outstanding at the end of the year		50,000,000		50,000,000

3.2	Shares in respect of each class in the company held by	Name of the company	Class of shares Equity/ Preference	As at 31st March 2014 No. of shares	As at 31st March 2013 No. of shares
	Holding company	NIT Technologies Limited	Equity	49,999,940	49,999,940
	Others (representative shareholders)		Equity	60	60

3.3	Shares held by each shareholder holding more than 5% shares	31st March 2014		31st March 2013	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares NIT Technologies Limited	100%	50,000,000	100%	50,000,000
		100%	50,000,000	100%	50,000,000



NIFT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

4	RESERVES AND SURPLUS	As at 31st March 2014		As at 31st March 2013	
		Rs.		Rs.	
	Profit & Loss Account				
	Balance Brought Forward from Previous year	(73,927,459)		(102,327,763)	
	Add : Current Year Profit / (Loss) attributable to Share Holders	63,862,227		28,400,304	
			(10,065,231)		(73,927,459)
			(10,065,231)		(73,927,459)

5	LONG TERM BORROWINGS	Non Current Portion		Current Maturities	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
	SECURED LONG TERM BORROWINGS				
	- Vehicle Loans (Secured By Hypothecation of vehicles) (Terms of Repayment 1 to 4 years)	2,956,523	3,410,602	1,855,033	1,719,094
	Sub Total	2,956,523	3,410,602	1,855,033	1,719,094
	Amount disclosed under the head "Other Current Liabilities" (Note 7)	-	-	(1,855,033)	(1,719,094)
		2,956,523	3,410,602	-	-

6	PROVISIONS	LONG-TERM		SHORT-TERM	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
	Provision for employee benefits :				
	Provision for Gratuity	672,714	1,207,040	-	-
	Provision for Compensated Absences	7,137,857	8,613,997	2,762,507	3,336,653
		7,810,571	9,821,037	2,762,507	3,336,653

7	OTHER CURRENT LIABILITIES	As at 31st March 2014		As at 31st March 2013	
		Rs.		Rs.	
	Trade Payables				
	- Due to Micro Enterprises and Small Enterprises *				
	- Due to Others		22,099,770		18,823,842
			22,099,770		18,823,842
	Others:				
	Current Maturities of Long Term Borrowings (Note 5)		1,855,033		1,719,094
	Employee Benefit Payable		7,045,557		4,237,617
	Statutory Dues Payable		3,561,089		3,941,402
	Other Payables		15,011,211		4,659,952
			27,472,890		14,558,065
			49,572,660		33,381,907

* There are no micro and small scale enterprises to which the Company owes dues as at 31st March 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



NIIT SMARTSERVE LIMITED

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

8	FIXED ASSETS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
		Description of Assets	Cost As on 01.04.2013	Additions during the year	Total as on 31.03.2014	As on 01.04.2013	For the year	Sales / Adj. during the year	Total as on 31.03.2014	As on 31.03.2014	As on 31.03.2013
	(i) Tangible										
	Plant & Equipment - Owned	172,650,696	1,836,390	151,099,057	127,713,932	14,965,835	22,771,858	119,907,929	31,191,127	-44,916,764	
	Office Equipments	4,626,923	36,394	4,663,317	2,164,783	304,033	-	2,368,820	2,294,497	2,462,136	
	Lease Hold Improvements	17,818,752	-	17,818,752	15,366,448	1,787,962	-	17,154,410	664,342	2,452,505	
	Furniture & Fixtures - Owned	7,462,919	26,400	7,489,319	6,835,498	207,552	-	7,043,050	446,269	627,421	
	Vehicles	7,342,988	2,097,500	8,584,098	929,034	729,770	162,213	1,494,589	7,087,509	6,413,954	
	Sub Total (a)	209,882,279	3,296,484	189,654,543	153,009,780	17,895,152	22,934,053	147,970,793	41,683,744	56,373,579	
	(ii) Intangible										
	Software - Acquired	79,439,685	13,835,999	93,275,684	74,816,082	15,049,117	-	89,865,199	3,410,485	4,623,603	
	Sub Total (b)	79,439,685	13,835,999	93,275,684	74,816,082	15,049,117	-	89,865,199	3,410,485	4,623,603	
	Total (a+b) Previous Year	289,321,965	17,832,483	282,930,237	227,825,781	32,944,269	22,934,053	237,835,993	45,094,229	61,496,182	
		280,588,866	12,826,483	289,521,963	199,567,135	38,987,142	728,495	227,825,781	61,496,182	81,021,730	



NHT SMARTSERVE LIMITED

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

9	DEFERRED TAX ASSET (NET)	Opening		Charged/ (Credited) to Profit and Loss Account	Closing	
		As at April 2013	31st March 2013		As at March 2014	31st March 2014
	Deferred Tax Assets/Liabilities					
	Deferred Tax Liabilities:					
	a) Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation.		1,707,039	(4,010,874)		(2,303,835)
		(A)	1,707,039	(4,010,874)		(2,303,835)
	Deferred Tax Assets:					
	a) Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax:					
	-Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income Tax calculation.					
	-Provision for doubtful debts and advances		(194,640)	194,640		
	-Provision for Compensated Absences, Bonus, Gratuity and other timing differences		(4,282,733)	836,082		(3,446,651)
	-Expenses disallowed u/s 40(a) (ii) - AY 14-15		(23,432)	23,432		
	b) Others					
	-Carried Forward Unabsorbed Depreciation and Tax Loss		(25,732,817)	25,732,817		
		(B)	(30,233,622)	26,786,971		(3,446,651)
	Net Deferred Tax Liabilities/ (Assets) (A+B)		(28,526,583)	22,776,097		(5,750,486)
	Previous Year		(40,295,259)	11,768,676		(28,526,583)

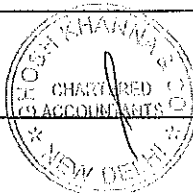
* In accordance to prudence the deferred tax has been recognized on timing difference and other b/f losses of earlier years.

10	LONG TERM LOANS AND ADVANCES	Non Current		Current	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
	i) Security Deposits				
	Secured, considered good				
	Unsecured, considered good	21,465,215	22,218,126	-	-
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful security deposits	-	-	-	-
		(A)	21,465,215	-	-
	ii) Loans and advances to related parties (refer note 1)				
	Secured, considered good				
	Unsecured, considered good	-	-	200,000,000	-
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful advances	-	-	-	-
		(B)	-	200,000,000	-
	iii) Advances recoverable in cash or in kind				
	Secured, considered good				
	Unsecured, considered good	-	-	11,213,802	10,065,131
	Service Tax claimable	45,996,042	-	-	37,087,095
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful advances	-	-	-	-
		(C)	45,996,042	11,213,802	47,152,226
	iv) Other Advances				
	Advance tax	62,273,618	42,596,102	-	-
	Less: Provision for tax	(41,992,185)	(25,592,048)	-	-
	MAT Credit entitlement	26,207,139	18,198,286	-	-
		(D)	46,488,623	-	-
		(A+B+C+D)	113,949,880	57,420,466	47,152,226

Note 1 : Loans & Advances to related parties includes Rs.200,000,000/- given to NHT Technologies Ltd, India (Previous Year Rs.NIL).

Loans and advances due by	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
Directors *	-	-	-	-
Other officers of the Company *	-	-	-	-
Firm in which director is a partner *	-	-	-	-
Private Company in which director is a member	-	-	-	-

*Either severally or jointly



CIN No: U72900DL2002PLC114946

NHT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

11	TRADE RECEIVABLES	Non Current		Current	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
a)	Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	-	-	-	-
b)	Other Trade Receivables Unsecured, considered good	-	-	61,939,063	57,252,976
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful debts	-	-	(343,992)	(599,908)
		-	-	61,595,071	56,653,068
		-	-	61,595,071	56,653,068

e)	Trade Receivable stated above include debts due by:				
	Directors *	-	-	-	-
	Other officers of the Company *	-	-	-	-
	Firm in which director is a partner *	-	-	-	-
	Private Company in which director is a member	-	-	-	-
	Holding Company	-	-	7,038,983	3,569,204
	Fellow Subsidiary Companies	-	-	48,892,977	47,071,115
	Associate Companies	-	-	-	-
		-	-	55,931,960	50,640,319

*Either severally or jointly

12	OTHER ASSETS	Non Current		Current	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
	Non Current Bank Balances (Note 13)	45,654,546	164,736,893	-	-
	Interest Receivable	-	-	1,747,080	12,996,411
		45,654,546	164,736,893	1,747,080	12,996,411

13	CASH AND CASH EQUIVALENTS	Non Current		Current	
		As at 31st March 2014 Rs.	As at 31st March 2013 Rs.	As at 31st March 2014 Rs.	As at 31st March 2013 Rs.
	Cash and cash equivalents:				
	Balance with banks				
	Current Accounts	-	-	55,995,837	21,398,564
	Exchange Earners' Foreign Currency Account	-	-	-	-
	Bank deposits with original maturity of 3 months or less [Includes Rs. Nil. (Previous year Rs.5,343,334) pledged as margin money]	-	-	12,036,099	22,642,349
		-	-	68,031,936	47,040,913
	Other bank balances:				
	Balance with banks				
	Bank deposits:				
	With original maturity of more than 3 months and upto 12 months [Includes Rs.11,938,431 (Previous year Rs.10,883,302) pledged as margin money]	43,362,564	162,298,951	-	-
	With original maturity of more than 12 months [Includes Rs.1,359,382 (Previous year Rs.1,505,342) pledged as margin money]	2,291,982	2,437,942	-	-
		45,654,546	164,736,893	-	-
		45,654,546	164,736,893	68,031,936	47,040,913
	Amount disclosed under non-current assets (Note 12)	(45,654,546)	(164,736,893)	-	-
		-	-	68,031,936	47,040,913



NIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

14	REVENUE FROM OPERATIONS	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Sale of Services	474,568,052	427,105,275
		474,568,052	427,105,275

15	OTHER INCOME	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Interest Income	16,602,290	17,155,483
	Gain/(loss) on foreign currency translation and transaction (net)	7,496,661	3,030,747
	Other non-operating income*	945,120	742,443
		25,044,071	20,928,673

* Other non-operating income includes Staff recovery, Foreign VAT refund and Sale of Scrap

16	EMPLOYEE BENEFIT EXPENSES	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Salaries and Benefits	190,032,742	196,106,135
	Contribution to Provident and Other Funds	8,604,601	10,502,128
	Welfare and Other expenses	10,051,895	8,172,783
		208,689,238	214,781,046

16.1 Employee Benefits:

The company has calculated the various benefits provided to employees as under:

A. Defined Contribution Plans	2013-2014	2012-2013
Employers Contribution to Provident Fund.*	3,063,809	3,026,446
Employers Contribution to Superannuation Fund.*	-	-

B. State Plans	2013-2014	2012-2013
Employers Contribution to Employee State Insurance.*	1,948,497	2,176,683
Employers Contribution to Employee's Pension Scheme 1995.*	2,769,372	3,040,329

* Included in Contribution towards Provident and Other Funds under Personnel Expenditure (Refer Note 16)

C. Defined Benefit Plans

Contribution to Gratuity Funds – Employee's Gratuity Fund
Disclosures as per actuarial report of independent actuary:

Amount of obligation as at the year end and is determined as under:

Description	Year ended 31 st March 2014 (Rs. in Thousand)	Year ended 31 st March 2013 (Rs. in Thousand)
Present value of obligation as at the beginning of the year	5,346.33	3,787.00
Interest Cost	410.76	305.88
Current Service Cost	1,491.52	1,223.14
Benefit paid	(736.62)	(749.19)
Actuarial (gain) / loss on obligations	(1,299.31)	779.50
Present value of obligation as at the end of the year	5,212.68	5,316.33



NIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

Change in Plan Assets:

Description	Year ended 31 st March 2014 (Rs.in Thousand)	Year ended 31 st March 2013 (Rs.in Thousand)
Plan assets at the beginning at fair value	4,139.29	3,478.53
Expected return on plan assets	392.56	335.33
Contributions	766.17	1,121.85
Benefit paid	(736.62)	(749.19)
Actuarial gain / (loss) on plan assets	(21.44)	(47.23)
Present value of Assets as at the end of the year	4,539.96	4,139.29

Amount of the obligation recognized in the Balance Sheet:

Description	As at 31 st March 2014 (Rs. in Thousand)	As at 31 st March 2013 (Rs. in Thousand)
Present value of the defined benefit obligation at the end of the year	5,212.68	5,346.33
Fair value of plan assets at the end of the year	4,539.96	4,139.29
Net Asset/(Liability) recognized in the Balance Sheet	672.72	1,207.01

Amount of gratuity expense recognized in the Profit and Loss account:

Description	Year ended 31 st March 2014 (Rs.in Thousand)	Year ended 31 st March 2013 (Rs.in Thousand)
Current service cost	1,491.52	1,223.14
Interest Cost	410.70	305.88
Expected return on plan assets	(392.56)	(335.33)
Actuarial (gain) / loss recognized during the year	(1,277.87)	826.73
Total	231.85	2,020.42

D. Compensated Absences

Amount of obligation as at the year end and is determined as under:

Description	Year ended 31 st March 2014 (Rs.in Thousand)	Year ended 31 st March 2013 (Rs.in Thousand)
Present value of defined benefit obligation as at the beginning of the year	11,950.65	10,612.00
Interest Cost	832.87	781.16
Current Service Cost	5,358.74	5,018.47
Benefit paid	-	-
Actuarial (gain) / loss on obligations	(8,241.90)	(4,460.97)
Present value of obligation as at the end of the year	9,900.37	11,950.65

Change in Plan Assets:

Description	Year ended 31 st March 2014 (Rs.in Thousand)	Year ended 31 st March 2013 (Rs.in Thousand)
Plan assets at the beginning at fair value	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Actuarial gain / (loss) on plan assets	-	-
Present value of Assets as at the end of the year	-	-

Amount of the obligation recognized in the Balance Sheet:

Description	As at 31 st March 2014 (Rs. in Thousand)	As at 31 st March 2013 (Rs. in Thousand)
Present value of the defined benefit obligation at the end of the year	9,900.37	11,950.65
Fair value of plan assets at the end of the year	-	-
Net Asset/(Liability) recognized in the Balance Sheet	(9,900.37)	(11,950.65)

Amount of Compensated Absence expense recognized in the Profit and Loss account:

Description	Year ended 31 st March 2014 (Rs.in Thousand)	Year ended 31 st March 2013 (Rs.in Thousand)
Current service cost	5,358.74	5,018.47
Interest Cost	832.87	781.16
Expected return on plan assets	-	-
Actuarial (gain) / loss recognized during the year	(8,241.90)	(4,460.97)
Total	(2,050.28)	1,338.65



NIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

Investment details of plan assets:

The plan assets are maintained with Life Insurance Corporation Gravity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the company and have not been disclosed.

Principal actuarial assumptions at the Balance sheet date:

Description	2013-14	2012-13
Discounting Rate	9.15%	8.10%
Expected Rate of return on plan assets	9.15%	9.15%

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

17	ADMINISTRATION AND OTHER OPERATING EXPENSES	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Rent (net of recoveries)	37,426,851	48,303,021
	Rates and Taxes	30,347	382,265
	Power & Fuel	18,511,430	18,265,419
	Communication	13,987,382	15,267,989
	Legal and Professional	10,842,431	10,692,733
	Travelling and Conveyance	60,470,589	47,696,125
	Provision for Doubtful Debts	-	599,908
	Insurance	1,648,385	1,349,941
	Repairs and Maintenance		
	- Plant and Machinery	7,516,626	6,646,393
	- Buildings	40,725	2,722
	- Others	133,363	1,467,826
	Loss on Sale of Fixed Assets (Net)	327,951	79,033
	Security and Administration Services	9,190,441	10,116,423
	Bank Charges	167,885	556,510
	Sundry Expenses	1,885,532	1,336,504
		162,149,938	162,963,111

18	SELLING AND MARKETING EXPENSES	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Advertisement and Publicity	-	395,500
	Other Marketing Expenses	201,876	188,864
		201,876	584,364

19	FINANCE EXPENSES	Year ended 31st March 2014 Rs.	Year ended 31st March 2013 Rs.
	Interest Expense (On Vehicle Loan)	597,213	549,305
		597,213	549,305



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

20) Contingent Liabilities

Counter guarantees issued by bankers in favour of Custom Department , Sales Tax Department and Department of Telecommunications which is outstanding at 31st March 2014 amount to Rs.11,100,000 (Previous Year Rs.16,100,000).

- 21) (a) Estimated amount of contracts remaining to be executed on capital account for Rs.7,021,038 (Previous Year Rs.15,471,715).

(b) CIF Value of Imports (on accrual basis)

	31 st March 2014 (Rs.)	31 st March 2013 (Rs.)
Capital Goods	NIL	137,128

22) (a) Expenditure in Foreign Currency -Net of Taxes (on accrual basis)

	31 st March 2014 (Rs.)	31 st March 2013 (Rs.)
Foreign Travel	11,421,175	4,401,047
Legal Expenses	-	76,272
Training Expenses	-	169,168
Others	3,102,283	2,245,036

(b) Earnings in Foreign Currency (on accrual basis)

	31 st March 2014 (Rs.)	31 st March 2013 (Rs.)
IT Enabled Services	473,493,714	411,885,670

23) Payment to Auditors (excluding Service tax)

	31 st March 2014 (Rs.)	31 st March 2013 (Rs.)
Audit Fees	137,500	137,500
Tax Audit Fees	93,500	93,500
Others	<u>71,500</u>	<u>71,500</u>
Total	<u>302,500</u>	<u>302,500</u>



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

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

Related Parties Disclosures for the year 2013-14

A. Key Managerial Personnel

Sr. No.	Name	Remarks
1.	Mr. Arvind Thakur	Managing Director
2.	Ms. Ritu Singh	Chief Operating Officer- till May, 2013

B. Relatives of Key Managerial Personnel

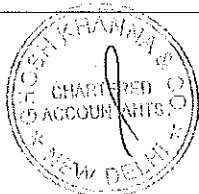
Sr. No.	Name	Remarks
1.	Ms. Rati Thakur	Spouse of Mr. Arvind Thakur
2.	Mr. G.R.S. Thakur	Father of Mr. Arvind Thakur
3.	Ms. Sneh Thakur	Mother of Mr. Arvind Thakur
4.	Mr. Ankur Thakur	Son of Mr. Arvind Thakur
5.	Ms. Seema Arora	Daughter-in-law of Mr. Arvind Thakur
6.	Ms. Mallika Thakur	Daughter of Mr. Arvind Thakur
7.	Ms. Mala Singh	Sister of Mr. Arvind Thakur
8.	Mr. Ajay Kumar	Spouse of Ms. Ritu Singh
9.	Ms. Gurlenc Mehta	Sister of Ms. Ritu Singh
10.	Ms. Jaya Oberoi	Sister of Ms. Ritu Singh

C. Holding Company

Sr. No.	Name of Company	Remarks
1.	NIIT Technologies Limited	Holding Company

D. Fellow Subsidiaries

Sr. No.	Name of Company	Remarks
1.	NIIT GIS Limited	First Generation Subsidiary Company of NIIT Technologies Ltd.
2.	NIIT Technologies Services Limited	First Generation Subsidiary Company of NIIT Technologies Ltd.
3.	NIIT Technologies FZ-LLC, Dubai	First Generation Subsidiary Company of NIIT Technologies Ltd.
4.	NIIT Technologies Limited, UK	First Generation Subsidiary Company of NIIT Technologies Ltd.
5.	NIIT Technologies Pte Limited, Singapore	First Generation Subsidiary Company of NIIT Technologies Ltd.
6.	NIIT Technologies Inc, USA	First Generation Subsidiary Company of NIIT Technologies Ltd.
7.	NIIT Technologies GmbH, Germany	First Generation Subsidiary Company of NIIT Technologies Ltd.
8.	NIIT Technologies Co. Ltd., Japan	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
9.	NIIT Technologies BV, Netherlands	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
10.	NIIT Technologies NV, Belgium	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

11.	NIIT Technologies Ltd, Thailand	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
12.	NIIT Technologies Pty Ltd, Australia	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
13.	NIIT Technologies AG, Austria (liquidated w.e.f. December 20, 2012)	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
14.	NIIT Technologies AG, Switzerland	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
15.	NIIT Insurance Technologies Limited, U.K.	First Generation Subsidiary Company of NIIT Technologies Ltd.
16.	NIIT Technologies Limited, Canada	First Generation Subsidiary Company of NIIT Technologies Ltd.
17.	NIIT Airline Technologies GmbH, Germany	First Generation Subsidiary Company of NIIT Technologies Ltd.
18.	NIIT Healthcare Technologies Inc. USA (dissolved w.e.f. 31.03.2013)	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
19.	NIIT Media Technologies LLC., USA	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.
20.	NIIT Technologies S.A. (Erstwhile Proyacta Systemas DE Informacio. S.A.) Spain	First Generation Subsidiary Company of NIIT Technologies Ltd.
21.	NIIT Technologies Philippines Inc., (Erstwhile Sabre International Philippines Management Inc.)	First Generation Subsidiary Company of NIIT Technologies Ltd.
22.	NIIT Technologies Brazil Ltda. (w.e.f. September 17, 2013)	Second/Third Generation Subsidiary Company of NIIT Technologies Ltd.

E. Associate Companies with whom transaction done during the year

Sr. No.	Name of Company	Remarks
1.	NIIT Limited, INDIA	Associate Company
2.	Scantech Evaluation Services Limited	Associate Company

F. List of other Companies in which key Managerial Personnel are interested

S No	Name of Companies/Firms	Remarks
	NIL	



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

Details of transaction and balances with related parties:

Details of transaction with related parties.

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties of whom the company is an associate	Key Managerial Personnel	Total
Rendering of Services (Note 2)	392,709,402 (348,552,959)	NIL (2,717,802)	NIL (NIL)	392,709,402 (351,270,761)
Receiving of Services (Note 3)	3,743,696 (3,693,580)	168,800 (NIL)	NIL (NIL)	3,912,496 (3,693,580)
Transfer of Expenses from (Note 4)	1,143,653 (1,258,798)	NIL (NIL)	NIL (NIL)	1,143,653 (1,258,798)
Transfer of Expenses to (Note 5)	24,150,761 (22,601,485)	NIL (NIL)	NIL (NIL)	24,150,761 (22,601,485)
Loans given (Note 6)	200,000,000 (NIL)	NIL (NIL)	NIL (NIL)	200,000,000 (NIL)
Interest Received (Note 7)	5,853,971 (NIL)	NIL (NIL)	NIL (NIL)	5,853,971 (NIL)
Total	627,601,483 (376,106,822)	168,800 (2,717,802)	NIL (NIL)	627,601,483 (378,824,624)

Details of balances with related parties as at year end.

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties of whom the company is an associate	Key Managerial Personnel	Total
Receivable (Note 8)	255,931,960 (50,640,319)	NIL (NIL)	NIL (NIL)	255,931,960 (50,640,319)
Payable (Note 9)	1,627,848 (1,191,021)	100,494 (NIL)	NIL (NIL)	1,728,342 (1,191,021)

Note: 1. Figure in parenthesis represents previous year's figure.

2. Includes transactions for the year mainly with;

NIIT Technologies Ltd., India Rs. NIL (Previous Year Rs.6,100,256)

NIIT GIS Ltd, India Rs.1,074,338 (Previous Year Rs1,142,934)

NIIT Airline Technologies GmbH, Germany Rs.20,290,258 (Previous Year Rs15,544,302)

NIIT Technologies Inc., USA Rs.254,033,520 (Previous Year Rs.154,224,139)

NIIT Insurance Technologies Ltd, UK Rs.31,519,181 (Previous Year Rs.30,982,182)

NIIT Technologies Ltd., UK Rs.82,898,669 (Previous Year Rs.140,559,146)

NIIT Technologies FZ-LLC, Dubai Rs.2,893,437 (Previous Year Rs. NIL)

NIIT Ltd., India Rs. NIL (Previous Year Rs.2,717,802)



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

3. Includes transactions for the year mainly with;
 - NIIT Technologies Ltd., India Rs.2,986,667 (Previous Year Rs.3,693,580)
 - NIIT Technologies Ltd, UK Rs.757,029 (Previous Year Rs. NIL)
 - NIIT IFBI Ltd, India Rs.30,000 (Previous Year Rs. NIL)
 - Evolv Services Ltd, India Rs.138,800 (Previous Year Rs. NIL)
4. Includes transactions for the year mainly with;
 - NIIT Technologies Ltd., India Rs.1,108,309 (Previous Year Rs.1,167,938)
 - NIIT Technologies Inc., USA Rs. NIL (Previous Year Rs.90,860)
 - NIIT GIS Ltd, India Rs.35,344 (Previous Year Rs. NIL)
5. Includes transactions for the year mainly with;
 - NIIT Technologies Ltd., India Rs.17,191,199 (Previous Year Rs.22,402,057)
 - NIIT Technologies Ltd., UK Rs. NIL (Previous Year Rs.199,428)
 - NIIT GIS Ltd. Rs. 4,676,768 (Previous Year Rs. NIL)
 - NIIT Technologies Phillipines Inc, Phillipines Rs.2,282,794 (Previous Year Rs. NIL)
6. Includes transactions for the year mainly with;
 - NIIT Technologies Ltd., India Rs.200,000,000 (Previous Year Rs.NIL)
7. Includes transactions for the year mainly with;
 - NIIT Technologies Ltd., India Rs.5,853,971 (Previous Year Rs.NIL)
8. Includes balances mainly with;
 - NIIT Technologies Ltd., India Rs.207,038,983 (Previous Year Rs.3,569,204)
 - NIIT Technologies Inc., USA Rs.23,758,916 (Previous Year Rs.2,752,170)
 - NIIT Insurance Technologies Ltd, UK Rs.2,594,868 (Previous Year Rs.2,367,039)
 - NIIT Technologies Ltd., UK Rs.19,466,505 (Previous Year Rs.39,500,947)
 - NIIT GIS Ltd Rs.701,659 (Previous Year Rs.337,820)
 - NIIT Airline Technologies GmbH, Germany Rs.2,086,287 (Previous Year Rs.2,113,139)
 - NIIT Technologies FZ-LLC, Dubai Rs.284,742 (Previous Year Rs. NIL)
9. Includes balances mainly with;
 - NIIT Technologies Ltd., India Rs.870,819 (Previous Year Rs.1,100,161)
 - NIIT Technologies Inc., USA Rs. NIL (Previous Year Rs.90,860)
 - NIIT Technologies Ltd, UK Rs.757,029 (Previous Year Rs. NIL)
 - NIIT IFBI Ltd, India Rs.30,708 (Previous Year Rs. NIL)
 - Evolv Services Ltd, India Rs.69,786 (Previous Year Rs. NIL)

25) Disclosure of Operating Leases as per Standard (AS) -19

- Total of future Minimum Lease Payments under non-cancellable leases in case of premises:

Particulars	In respect of Premises Amount in Rs.	In respect of Premises Amount in Rs.
Amount payable within the next 1 year	36,443,400	36,443,400
Amount payable within the next 2 to 5 years	NIL	36,443,400

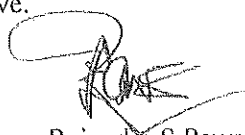
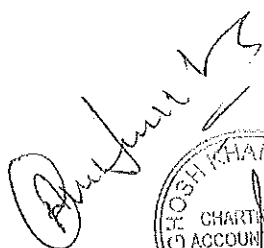
- Aggregate payments during the year under operating leases amount to Rs.37,090,551 (Previous Year Rs.52,848,423).



NIIT SMARTSERVE LIMITED
Notes to Financial Statements for the year ended 31st March 2014

- 26) Tax has been deducted at source against payments received by the company during the current year amounting to Rs.3,177,546 (Previous year Rs.3,756,363).
- 27) Previous year figures have been regrouped wherever necessary to conform to current year classification.

Signature to the Notes '1' to '27' above.

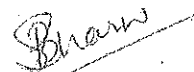


Rajendra S Pawar
Director
DIN: 00042516



Arvind Thakur
Managing Director
DIN: 00042534

Place : New Delhi
Dated: 21st April, 2014



Barkha Sharma
Company Secretary

CIN No: U72900DL2002PLC114946