

NIIT Technologies Limited

(Registered Number: 2648481)

**Annual Report and Financial Statements
for the year ended 31 March 2017**

NIIT Technologies Limited

Contents

	Pages
Directors and advisors	1
Strategic report	2-3
Directors' report	4-7
Independent auditors' report	8-10
Statement of comprehensive income	11
Statement of financial position	12
Statement of changes in equity	13
Notes to the financial statements	14 - 27

NIIT Technologies Limited

Directors and Advisors

Directors

Arvind Thakur
Arunbir Singh Soin

Company secretary

Abogado Nominees Limited

Company number

2648481

Registered office

100 New Bridge Street
London
EC4V 6JA

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Bankers

Lloyds TSB
56 High Street
Marlow
SL7 1AJ

CitiBank NA
Global Subsidiaries Group Centre
Canary Wharf
London
E14 5LB

Business address

2nd Floor,
47 Mark Lane
London
EC3R 7QQ

Branch office

71 avenue Victor Hugo
75116 Paris
France

NIIT Technologies Limited

Strategic report for the year ended 31 March 2017

The directors present their strategic report for the year ended 31 March 2017.

Principal activities

The Company provides services in Software Application Development and Maintenance, Software Testing, Enterprise Solutions including Package Implementation, Infrastructure Managed Services and System Integration to organisations based in the UK and rest of the world.

Business review

The revenue profile of NIIT Technologies Limited, UK is diversified across the main verticals of Travel and Transportation, Infrastructure Managed Services, Banking and Financial Services, Insurance, Media and Entertainment Technologies.

The UK business continues to operate in a very challenging and competitive business environment. The UK economy has held up remarkably well after last June's vote to leave the European Union. Businesses have largely shrugged off the political and economic uncertainties relating to Brexit, keeping the economy running at a decent pace. The company has posted a healthy growth in its turnover in the current financial year. The focus on cost optimisation continues. Partnering with businesses to strategise and provide service offerings using new technologies is critical to retaining a competitive edge. NIIT strives to aggressively grow its existing client portfolio and increase its business footprint. NIIT has gained a few new clients during the year in the Managed services vertical. However, a major contribution of the UK revenue emanates from its existing clients in its focused verticals. Travel & Transportation continues to be the major vertical for the UK followed by Infrastructure Managed Services and Media and Entertainment Technologies. The Infrastructure Managed Services business continues to see increased traction in the UK market with both the private sector and public sector exploring Outsourcing options to further rationalise their costs. NIIT is also making inroads in the Insurance vertical where we are leveraging our presence in the Lloyds of London market in our domain expertise. NIIT is well geared to cater to this segment on the back of winning business in this segment.

The results for the Company show profit on ordinary activities before taxation of £512,492 (2016: £3,775,659) for the year and turnover of £48,880,193 (2016: £45,140,851). Profit on ordinary activities before taxation is lower as compared to the previous year. This is primarily due to the group undertakings not declaring a dividend. Operating margins have dropped when compared to the previous year. The decline is attributed to an increase in the cost of sales. Cost of sales has increased due to a higher level of costs associated with an increased head count and deployment of external contractors.

The Company has net assets of £24,429,734 (2016: £24,019,494).

Principal risks and uncertainties

The impact of Brexit on the technology services sector is uncertain. The Management of the Company foresee a risk associated with potential changes to the immigration regulations that could impact sourcing skills from outside the UK.

Competition from national, offshore and multinational vendors as well as employee retention and the resilience of the UK economy over the next few years are areas that throw up risks and uncertainty. The Company also recognises the potential risk of a considerable portion of its revenue continuing to emanate from a few customers and is striving to expand its customer base to mitigate this. The Company has focused on enhancing client relationship through client partners in key customer accounts.

NIIT Technologies Limited

Strategic report for the year ended 31 March 2017 (continued)

Key performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business. Turnover and profit on ordinary activities before taxation as presented in the business review are the key measures considered by the directors.

On behalf of the board

Arvind Thakur
Director
May 2017

NIIT Technologies Limited

Directors' Report for the year ended 31 March 2017

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2017.

Dividend from Subsidiaries

During the reporting period, the Company did not receive any dividend from its subsidiaries. (2016: NIIT Insurance Technologies Limited - £3,000,000 at the rate of £2.39 per share).

The directors do not recommend payment of a dividend (2016: Nil).

Future outlook

The strategy of NIIT Technologies Limited UK is to continue to build a strong differentiation in its offerings by remaining focused in the chosen verticals.

The external business environment is expected to remain challenging in the UK for 2017-18 as national, offshore and multinational organisations continue to invest and compete for business in the focused verticals. The uncertainty around Brexit will linger for a few years till the UK reaches a trade deal with the European Union. We however remain confident that we will achieve a higher level of growth in the coming year. Our focus will be on increasing the 'footprint' of our services in existing accounts and scale the relationships that we commenced in 2016-17. The focus will be to continue to acquire accounts in the Managed Services business offerings, expand our presence in the insurance vertical, make in-roads into the UK government sector which has started to open up for a more cost efficient IT service delivery and also to take advantage of the broader investment across sectors in the Digital technology.

Directors

The current directors of the Company are set out on page 1. All of the directors serving during the year and up to the date of signing the financial statements are listed below

Rajendra S Pawar (Resigned 1 June 2016)

Arvind Thakur

Arunbir Singh Soin (Appointed 1 June 2016)

Sudhir Chaturvedi (Appointed 1 June 2016 and resigned 9 September 2016)

Satyakanta Samal (Appointed 7 September 2016)

Branch Office

During the reporting period, the company registered a branch in France. The branch operations commenced from 1 January 2017. The purpose is to explore business opportunities in the region.

Employment of disabled persons

Applications that are received from disabled persons are always given full and equal consideration.

The Company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and a career development for disabled staff. If members of staff become disabled, the Company continues employment wherever possible and arranges retraining. The Company's policy on training, career development and promotion of disabled people is, as far as possible, identical to that for other employees.

The Company is also committed to providing employees with information on matters of concern to them on a regular basis, so that the view of the employees can be taken into account when making decisions that are likely to affect their interest. Employee involvement in the Company is encouraged to achieve a common awareness of the financial and economic factors affecting the Company. In addition, the Company encourages the involvement of employees by means of

NIIT Technologies Limited

Directors' Report for the year ended 31 March 2017 (continued)

employee satisfaction surveys, focus group discussions and 360 degree feedback mechanism.

Financial risk management

The Company's operations expose it to limited financial risks that include price risk, credit risk, liquidity risk, foreign currency exchange rate risk and interest rate cash flow risk.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The Company's finance department implement policies set by the board of directors.

Price risk

Due to the nature of its business, the Company is not exposed to any major price risks. Due consideration is given for annual salary increases in line with the growth in business in terms of both price and volumes inter dependent on contract negotiations.

Credit risk

The majority of the Company's customer base is comprised of blue chip customers. During the reporting period, the Company has not provided for doubtful debts. (2016: Nil). Bad debts written off during the year was £Nil. (2016: £90,102).

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

Proactive receivables management results in a favourable working capital position. Management continues its focus in this area.

Interest rate and cash flow risk

The Company has an unsecured working capital loan facility of Sterling equivalent of US\$ 7,500,000 (2016: US\$7,500,000) from Citi Bank N.A. to meet its short term working capital requirements. Interest on the facility is charged at 2% above GBP LIBOR determined by the period of the loan availed. The facility is backed by a Corporate guarantee executed by NIIT Technologies Limited, India in favour of Citi Bank N.A.

During the reporting period, the company has not availed of this facility considering its comfortable cash position.

Foreign currency exchange rate risk

Management is aware of the volatility in foreign currency fluctuations and will put in place measures to minimise the risks if this continues.

Qualifying third party indemnity provisions

The Directors and Officers of the Company are covered by the Corporate Directors and Officers Liability insurance policy insurance. This is in force at the date of the statement of financial position and also at the date of signing of the financial statements.

NIIT Technologies Limited

Directors' Report for the year ended 31 March 2017 (continued)

Research and development

During the reporting period, the Company has made a claim for Research and Development Expenditure Credit (RDEC) for the relevant qualifying expenditure incurred in undertaking activities which fall within the meaning set out in s1138 Corporation Tax Act 2010 (CTA 2010).

Travel and transport and Infrastructure managed service verticals were the main focus areas on which the company has made its RDEC claim. The scope covered in the selection of projects made included:

- Development of a middleware component to improve integration and scalability of the client application architecture.
- Development of a high-performance document consumption utility to extract hundreds of thousands of documents stored in Siebel proprietary format within minutes, which was significantly beyond the typical performance achieved to process 1000 documents each run. Iterations were conducted to incrementally achieve the capability required.
- The appreciable improvement of FortiGate firewall, an IP based firewall device, via the development of an advanced SSL certificate generation and distribution engine embedded within FortiGate firewall, to transform it to a dual mode (user based and IP based) web security system.

In determining the eligibility percentages, consideration was given to the activities within a project which sought technological advancement and in doing so had to overcome technological uncertainty.

Political and charitable donations

The company made charitable donations during the year to the tune of £1,600. (2016: Nil). There were no political donations made during the year (2016: Nil).

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

NIIT Technologies Limited

Directors' Report for the year ended 31 March 2017 (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

At the date of approving this report, each of the Company's directors, as set out on page 1, confirm the following:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post Statement of Financial Position Events

There have been no significant events affecting the company since the year end.

Independent auditors

During the year, the Company's parent undertaking ran a group-wide audit tender process and decided to replace the incumbent auditors, PricewaterhouseCoopers LLP, with Ernst & Young LLP. A resolution to appoint Ernst & Young LLP will be proposed at a future board meeting of the Company.

Approved on behalf of the Board of Directors

Arvind Thakur
Director
May 2017

NIIT Technologies Limited

Independent Auditors' Report to the Members of NIIT Technologies Limited

Report on the financial statements

Our opinion

In our opinion, NIIT Technologies Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report") comprise:

- the Statement of Financial Position as at 31 March 2017;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

NIIT Technologies Limited

Independent Auditors' Report to the Members of NIIT Technologies Limited (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 6 and 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

NIIT Technologies Limited

Independent Auditors' Report to the Members of NIIT Technologies Limited (continued)

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

Kevin McGhee (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

May 2017

NIIT Technologies Limited

Statement of Comprehensive Income for the year ended 31 March 2017

	Note	2017		2016	
		£	INR	£	INR
Turnover	4	4,88,80,193	4,32,09,19,855	4,51,40,851	4,43,82,03,329
Cost of sales		-4,46,46,970	-3,94,67,10,667	-3,98,50,554	-3,91,80,66,619
Gross profit		42,33,223	37,42,09,188	52,90,297	52,01,36,711
Administrative expenses		-37,28,184	-32,95,64,662	-44,76,855	-44,01,59,907
Operating profit	5,10	5,05,039	4,46,44,526	8,13,442	7,99,76,804
Income from shares in group					
Undertakings Interest receivable		-	-	30,00,000	29,49,57,000
and similar income Interest	6	7,453	6,58,832	5,468	5,37,608
payable and similar charges	7	-	-	-43,251	-42,52,395
Profit on ordinary activities before taxation		5,12,492	4,53,03,358	37,75,659	37,12,19,017
Tax on profit on ordinary activities	11	-1,41,076	-1,24,70,861	-1,91,650	-1,88,42,836
Profit for the financial year		3,71,416	3,28,32,497	35,84,009	35,23,76,181
Total comprehensive income for the reporting period		3,71,416	3,28,32,497	35,84,009	35,23,76,181

NIIT Technologies Limited

Statement of Financial Position as at 31 March 2017

	Note	2017		2016	
		£	INR	£	INR
Fixed assets					
Tangible assets	12	42,093	34,21,942	30,712	29,22,615
Investments	13	1,70,05,149	1,38,24,30,187	1,70,05,149	1,61,82,43,989
		1,70,47,242	1,38,58,52,129	1,70,35,861	1,62,11,66,604
Current assets					
Receivables	14	1,11,00,499	90,24,12,846	1,07,80,403	1,02,58,84,710
Cash		43,71,166	35,53,53,066	15,54,583	14,79,37,227
Total assets		1,54,71,665	1,25,77,65,912	1,23,34,986	1,17,38,21,938
Payables - amounts falling due within one year	15	-80,89,173	-65,76,07,701	-53,51,353	-50,92,45,454
Net current assets		73,82,492	60,01,58,211	69,83,633	66,45,76,484
Total assets less current liabilities		2,44,29,734	1,98,60,10,340	2,40,19,494	2,28,57,43,088
Net assets		2,44,29,734	1,98,60,10,340	2,40,19,494	2,28,57,43,088
Equity					
Called-up share capital	16	32,76,427	26,63,56,478	32,76,427	31,17,91,346
Other reserves	17	97,132	78,96,327	1,89,873	1,80,68,694
Retained earnings	17	2,10,56,175	1,71,17,57,535	2,05,53,194	1,95,58,83,047
Total shareholder's funds		2,44,29,734	1,98,60,10,340	2,40,19,494	2,28,57,43,088

The financial statements on pages 11 to 27 were approved by the board of directors on May 2017 and were signed on its behalf by:

Arvind Thakur
Director

Registered Number: **2648481**

NIIT Technologies Limited

Statement of Changes in Equity for the year ended 31 March 2017

	Share Capital		Other Reserves		Retained Earnings		Total Equity	
	£	INR	£	INR	£	INR	£	INR
At 1 April 2015	32,76,427	30,32,20,868	1,32,583	1,22,70,053	1,70,05,065	1,57,37,54,147	2,04,14,075	1,88,92,45,068
Total comprehensive income for the year	-	-	-	-	35,84,009	35,23,76,181	35,84,009	35,23,76,181
Share based capital reserve (Note 19)	-	-	89,480	87,97,584	-68,070	-66,92,574	21,410	21,05,010
Transfer between reserves	-	-	-32,190	-31,64,889	32,190	31,64,889	-	-
Currency Translation Reserve	-	85,70,478	-	1,65,946	-	3,32,80,406	-	4,20,16,830
At 31 March 2016	32,76,427	31,17,91,346	1,89,873	1,80,68,694	2,05,53,194	1,95,58,83,047	2,40,19,494	2,28,57,43,088
At 1 April 2016	32,76,427	31,17,91,346	1,89,873	1,80,68,694	2,05,53,194	1,95,58,83,047	2,40,19,494	2,28,57,43,088
Total comprehensive income for the year	-	-	-	-	3,71,416	3,28,32,497	3,71,416	3,28,32,497
Share-based capital reserve (Note 19)	-	-	38,824	34,31,971	-	-	38,824	34,31,971
Transfer between reserves	-	-	-1,31,565	-11,630,106	1,31,565	1,16,30,106	-	-
Currency Translation Reserve	-	-4,54,34,868	-	-19,74,233	-	-28,85,88,114	-	-33,59,97,216
At 31 March 2017	32,76,427	26,63,56,478	97,132	78,96,327	2,10,56,175	1,71,17,57,535	2,44,29,734	1,98,60,10,340

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017

1 General information

NIIT Technologies Limited ('the Company') is a wholly owned subsidiary of NIIT Technologies Limited, India a global IT Software and Services Company. The Company provides services in Software Application Development and Maintenance, Software Testing, Enterprise Solutions including Package Implementation, Infrastructure Managed Services and System Integration to organisations based in the UK and rest of the world.

The Company is a private company limited by shares and is incorporated in England and Wales under registration number 2648481. The address of its registered office is 100 New Bridge Street, London, EC4V 6JA.

2 Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) and the Companies Act 2006.

3 Principal accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. Accounting policies have been consistently applied to all years presented unless otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Accounting estimates have been used in the valuation of the Employee Stock Options granted under ESOP 2005 using the Black Scholes Options Pricing Model.

It also requires management to exercise judgment in applying the company's accounting policies.

Going concern

The financial statements have been prepared on a going concern basis.

Consolidated financial statements

The results of the France branch are included in the financial statements of the Company.

The Company is a wholly owned subsidiary of NIIT Technologies Limited, India and in accordance with the provisions of S401 of the Companies Act 2006, group financial statements have not been prepared. The financial statements of the Company and its subsidiary are included in the consolidated financial statements published by the parent Company NIIT Technologies Limited, India and are publicly available.

Turnover

Turnover represents the invoiced value of services supplied, net of value added tax and trade discounts. Turnover is derived from the company's principal activity.

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

3 Principal accounting policies (continued)

Recognition of turnover

In respect of long term fixed price software projects, revenue is recognised on a 'percentage of completion' basis at the statement of financial position date, with 'percentage completion' being measured by the costs to date as a percentage of the estimated costs to completion. Any loss on a contract is recognised in full as soon as a loss is foreseen by reference to the estimated cost to completion.

In respect of agreements requiring provision of professional services, revenue is recognised over the year the service is provided as per the terms of the agreements.

Tangible fixed assets and depreciation

The tangible fixed assets are stated at their purchase cost, together with any incidental expenses of acquisition less accumulated depreciation. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal estimated lives used for this purpose are:

Computer equipment	3 to 5 years
Office equipment	3 to 10 years

Operating leases

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the full terms of the leases.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the statement of financial position date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

3 Principal accounting policies (continued)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Pensions

Pension contributions to the defined contribution NIIT Technologies Limited Group Personal Pension Scheme are charged to profit or loss in the period in which contributions are incurred. Assets of the scheme are held separately from those of the Company in an independently administered fund.

Foreign currency

The company's functional and presentational currency is GBP.

Transactions denominated in foreign currencies are translated into sterling at the exchange rate prevailing on the first working day of the month. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise.

Share based payments

The parent company, NIIT Technologies Limited, India, has introduced an employee stock option plan. Certain employees of the Company are awarded options over the shares of the ultimate parent.

In accordance with FRS 102, the fair value of these options using the Black-Scholes model is recognised as an expense, with a corresponding increase in other reserves. The total amount to be expensed over the vesting period is determined by reference to the fair market value of the options granted. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest and recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

In the event that options are granted with an exercise price lower than the prevailing market price at grant date, and when NIIT Technologies Limited, India makes a recharge to the Company in respect of share options granted to the Company's employees, these inter-company charges are offset in other reserves against the relevant capital contribution.

Financial instruments

Financial assets:

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

3 Principal accounting policies (continued)

At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the statement of comprehensive income.

Financial liabilities:

Basic financial liabilities, including trade and other payables are initially recognised at transaction price. The same are retranslated at the rate of exchange ruling at the statement of financial position date. Exchange gains and losses are taken to the statement of comprehensive income in the year in which they arise.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting:

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv) in respect of reconciliation of the number of shares outstanding at the beginning and end of the period;
- the requirements of Section 7 Statement of Cash Flows in respect of preparation of Statement of Cash Flows;
- the requirements of Section 3 paragraph 3.17(d) in respect of presentation of Statement of Cash Flows in the financial statements;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7 in respect of the non-disclosure of key management personnel compensation in total.

NIIT Technologies Limited, India prepares group financial statements and copies can be obtained from 8 Balaji Estate, First Floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India. Full consolidated financials can also be obtained from NIIT Technologies Limited, India, from that Company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

4 Turnover

The Company is in the business of providing IT software services only. The analysis of turnover by geographical segment is shown below.

	By origin				By destination			
	2017	2017	2016	2016	2017	2017	2016	2016
	£	INR	£	INR	£	INR	£	INR
Geographical area								
United Kingdom and Ireland	4,88,80,193	4,32,09,19,855	4,51,40,851	4,43,82,03,329	4,13,75,112	3,65,74,84,391	3,79,85,555	3,73,47,01,782
Rest of Europe	-	-	-	-	47,79,388	42,24,89,177	45,04,911	44,29,18,345
Rest of World	-	-	-	-	27,25,693	24,09,46,287	26,50,385	26,05,83,203
	4,88,80,193	4,32,09,19,855	4,51,40,851	4,43,82,03,329	4,88,80,193	4,32,09,19,855	4,51,40,851	4,43,82,03,329

5 Operating profit

	2017		2016	
	£	INR	£	INR
Operating profit is stated after charging:				
Depreciation of tangible assets	21,236	18,77,224	29,847	29,34,527
Auditors' remuneration:				
- The audit of the Company pursuant to legislation	38,000	33,59,131	37,840	37,20,391
- Tax services	14,000	12,37,574	5,350	5,26,007
- Other services	16,070	14,20,559	6,234	6,12,921
Operating lease charges:				
- Land and buildings	3,367	2,97,637	4,178	4,10,777
Foreign exchange (gain)	-6,52,969	-5,77,21,268	-2,40,638	-2,36,59,288

6 Interest receivable and similar income

	2017		2016	
	£	INR	£	INR
Bank interest	7,453	6,58,832	5,468	5,37,608.29
Loan interest from group companies	-	-	-	-
	7,453	6,58,832	5,468	5,37,608

7 Interest payable and similar charges

	2017		2016	
	£	INR	£	INR
Bank interest	-	-	43,251	42,52,395

8 Directors' emoluments

Non-resident directors:

The emoluments and any options granted in respect of share schemes of Arvind Thakur were paid by other group companies, and they are deemed to be wholly attributable to the services of those companies. Accordingly, his emoluments are not disclosed in these financial statements.

There are no retirement benefits accruing to Arvind Thakur (2016: Nil) under the defined contribution scheme.

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

8 Directors' emoluments (continued)

Resident directors:

	2017		2016		
	£	INR	£		INR
Aggregate remuneration	258,747	22,872,763	-		-
			2017	2016	
			£	£	
Aggregate remuneration			258,747	-	

50% of the remuneration of one director is recharged to a subsidiary undertaking. This is disclosed in the financials of that subsidiary.

Post-employment benefits under a defined contribution pension scheme aggregating to £19,573 (2016: Nil) are accruing to 3 directors (2016: Nil).

One director (2016: Nil) exercised share options in the parent's shares during the reporting period. The gain on the exercise of the share options amounted to £166,784 (2016: Nil).

Highest paid director:

The highest paid director's emoluments were as follows:

	2017		2016		
	£	INR	£		INR
Aggregate remuneration	258,747	22,872,763	-		-

receivable under long-term incentive schemes

Defined contribution pension scheme:

	2017		2016		
	£	INR	£		INR
The amount of emoluments and amounts (excluding shares)	128,346	11,345,552	-		-
Contributions during the year	8,439	745,992	-		-
	136,785	12,091,544	-		-

9 Employee information

The average monthly number of persons (including executive directors) employed by the Company during the year was:

By activity	2017 Number	2016 Number
Management	29	27
Consultancy	217	196
	246	223

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

Employment costs during the year were as follows:

	2017		2016	
	£	INR	£	INR
Wages and salaries	1,35,25,296	1,19,56,11,483	1,22,10,419	1,20,05,16,186
Social security costs	11,93,290	10,54,84,658	11,26,291	11,07,35,805
Other pension costs	2,38,935	2,11,21,418	1,93,988	1,90,72,706
Costs associated with share based payments (see note 18)	38,824	34,31,971	89,480	87,97,584
	<u>1,49,96,345</u>	<u>1,32,56,49,530</u>	<u>1,36,20,178</u>	<u>1,33,91,22,281</u>

10 Research and Development Expenditure Credit

The Company has claimed research and development expenditure credit as per the guidelines prescribed by HMRC on an accrual basis in the statement of comprehensive income. A summary of the qualifying research and development expenditure and the gross RDEC is as follows:

	2017		2016	
	£	INR	£	INR
Staffing costs	7,48,639	6,61,78,321	3,99,660	3,92,94,172
Total qualifying research and development expenditure	7,48,639	6,61,78,321	3,99,660	3,92,94,172
Gross RDEC @11% (2016: 11%)	<u>82,350</u>	<u>72,79,590</u>	<u>43,963</u>	<u>43,22,398</u>

Management is confident that the claims will be successful.

11 Tax on profit on ordinary activities

	2017		2016	
	£	INR	£	INR
Current tax:				
UK corporation tax on profits of the year	76,433	67,56,538	1,77,165	1,74,18,686
Overseas tax less double tax relief	52,868	46,73,435	7,093	6,97,377
Adjustments in respect of prior years	-	-	-1,810	-1,77,957
Total current tax charge	<u>1,29,301</u>	<u>1,14,29,972</u>	<u>1,82,448</u>	<u>1,79,38,105</u>
Deferred tax:				
Origination and reversal of timing differences	8,823	7,79,937	6,485	6,37,599
Effect of changes in tax rates	2,952	2,60,951	2,137	2,10,108
Adjustments in respect of prior years	-	-	580	57,025
Total deferred tax charge	<u>11,775</u>	<u>10,40,889</u>	<u>9,202</u>	<u>9,04,731</u>
Tax on profit on ordinary activities	<u>1,41,076</u>	<u>1,24,70,861</u>	<u>1,91,650</u>	<u>1,88,42,836</u>

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

The tax assessed for the year is higher (2016: lower) than the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are explained below

	2017		2016	
	£	INR	£	INR
Profit on ordinary activities before tax	5,12,492	4,53,03,358	37,75,659	37,12,19,017
Profit on ordinary activities multiplied by standard rate in UK of corporation tax of 20% (2016: 20%)	1,02,498	90,60,636	7,55,132	7,42,43,823
Effects of:				
Expenses not deductible	25,196	22,27,280	28,518	28,03,861
Income not included for tax purposes	0	0	-6,00,000	-5,89,91,400
Effect of changes in tax rates	2,952	2,60,951	2,137	2,10,108
Overseas tax suffered	52,302	46,23,401	7,093	6,97,377
Other reconciling items	-41,872	-37,01,408	-	-
Adjustments in respect of prior years	-	-	-1,230	-1,20,932
Tax charge for the year	1,41,076	1,24,70,861	1,91,650	1,88,42,836

11 Tax on profit on ordinary activities (continued)

The deferred taxation asset of £28,843 (2016: £40,618) has been recognised and is disclosed within receivables (see note 14).

	2017		2016	
	Deferred tax asset recognized		Deferred tax asset recognized	
	£	INR	£	INR
Deferred tax asset comprises:				
Accelerated capital allowances	20,562	16,71,584	31,943	30,39,760
Short term timing differences	4,255	3,45,909	4,065	3,86,834
Pension provision	4,026	3,27,293	4,610	4,38,697
	28,843	23,44,786	40,618	38,65,290
Deferred tax asset as at 1 April	40,618	38,65,290	49,820	46,10,652
Adjustment in respect of prior years	-	-	-580	-57,025
Deferred tax charge/(credit) to profit for the period	11,775	10,40,889	-8,622	-8,47,706
Currency Translation Reserve	-	-25,61,393	-	1,59,370
Deferred tax asset as at 31 March	28,843	23,44,786	40,618	38,65,290

Based on current capital investment plans, the Company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year.

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements.

The standard rate of Corporation Tax in the UK for the reporting period is 20%. The company's profit for the reporting period is taxed at an effective rate of 27.53% (2016: 5.08%).

Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 17% from 1 April 2020 were substantively enacted on 26 October 2015 and 7 September 2016. At 31 March 2017, Management is of the opinion that the relevant deferred tax assets and liabilities included in these Financial Statements are based on the reduced rate of 17% having regard to their reversal profiles.

The Company has adopted the new R&D expenditure credit legislation introduced in 2013 that allows large companies to claim expenditure credits equal to 11% per cent of the qualifying

NIIT Technologies Limited

research and development (R&D) expenditure. The operating profit for the current reporting period includes the effect of these tax credits.

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

12 Tangible assets

Cost	Computer equipment		Office equipment		Total	
	£	INR	£	INR	£	INR
At 1 April 2016	3,93,435	3,74,40,061	97,702	92,97,518	4,91,137	4,67,37,579
Additions	32,672	28,88,145	-	-	32,672	28,88,145
Disposals	-3,27,957	-2,89,90,800	-	-	-3,27,957	-2,89,90,800
Currency Translation reserve	-	-33,58,322	-	-13,54,853	-	-47,13,175
At 31 March 2017	98,150	79,79,085	97,702	79,42,665	1,95,852	1,59,21,749
Accumulated depreciation						
At 1 April 2016	3,62,723	3,45,17,446	97,702	92,97,518	4,60,425	4,38,14,964
Charge for year	21,236	18,77,224	-	-	21,236	18,77,224
Disposals	-3,27,902	-2,89,85,938	-	-	-3,27,902	-2,89,85,938
Currency Translation reserve	-	-28,51,589	-	-13,54,853	-	-42,06,442
At 31 March 2017	56,057	45,57,143	97,702	79,42,665	1,53,759	1,24,99,807
Net book value at 31 March 2017	42,093	34,21,942	-	-	42,093	34,21,942
Net book value at 31 March 2016	30,712	29,22,615	-	-	30,712	29,22,615

13 Investments

Cost	Shares in subsidiary undertakings	
	£	INR
At 1 April 2016 and 31 March 2017	1,70,05,170	1,38,24,31,894
Net book value at 31 March 2017	1,70,05,149	1,38,24,30,187
Currency Translation reserve		23,58,13,802
Net book value at 31 March 2016	1,70,05,149	1,61,82,43,989

Subsidiary undertakings:

Company name	Registered address	Country of Incorporation	Principal activity	% Interest	Capital and reserves	Profit or (loss)
NIIT Technologies BV	Regus WTC Zuidplein 36 1077 XV Amsterdam, Netherlands	Holland	Software services	100%	€ 947,908	€ 84,427
NIIT Insurance Technologies Ltd.	100 New Bridge Street, London Ec4V 6JA	UK	Software services	100%	£6,199,930	£2,578,600
NIIT Technologies S.A.	4th Floor, Street Menorca 3, P.C. 28009 Madrid	Spain	Software services	100%	€ 1,616,593	€ -1,288,924
NIIT Technologies Brazil Ltda.	Av.Monteiro Lobato 4.550, Ed. Airport Town 2, Wing 5, Jd. Cumbica, 07180-000	Brazil	Software services	99%	BRL 789,240	BRL 1,025,227

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

13 Investments (continued)

All investments are reviewed by the Management for impairment at the end of the year. Any decline in the value of the said investment is recognised and charged to the profit and loss account.

The business of the subsidiary NIIT Technologies NV, Belgium was sold on 1 April 2016. The Subsidiary has been liquidated on 1 December 2016.

The directors believe that the carrying value of the investments is supported by their respective projected future cash flows.

14 Receivables

	2017		2016	
	£	INR	£	INR
Trade receivables	1,03,90,146	84,46,64,841	98,49,558	93,73,03,638
Amounts owed by group undertakings	1,58,156	1,28,57,260	3,83,453	3,64,90,154
Other receivables	38,962	31,67,408	1,45,826	1,38,77,094
Deferred tax asset (see note 11)	28,843	23,44,786	40,618	38,65,290
Prepayments and accrued income	4,84,392	3,93,78,551	3,60,948	3,43,48,534
	<u>1,11,00,499</u>	<u>90,24,12,846</u>	<u>1,07,80,403</u>	<u>1,02,58,84,710</u>

Amounts owed by group undertakings for the current and previous reporting period represent trade balances which are unsecured, non-interest bearing and within stipulated payment terms.

15 Payables - amounts falling due within one year

	2017		2016	
	£	INR	£	INR
Trade payables	2,62,707	2,13,56,713	2,48,660	2,36,62,983
Amounts owed to group undertakings	48,50,974	39,43,58,961	19,58,282	18,63,54,032
Corporation tax	77,368	62,89,616	1,77,166	1,68,59,471
Other taxation and social security	19,58,563	15,92,20,987	15,09,180	14,36,16,587
Other payables	12,845	10,44,232	39,296	37,39,486
Accruals and deferred income	9,26,716	7,53,37,192	14,18,769	13,50,12,896
	<u>80,89,173</u>	<u>65,76,07,701</u>	<u>53,51,353</u>	<u>50,92,45,454</u>

Trade balances included in amounts owed to group undertakings for the current and previous year are unsecured and interest free.

16 Called up, allotted and fully paid up share capital

	2017		2016	
	£	INR	£	INR
Authorised				
7,000,000 (2016: 7,000,000) ordinary shares of £1 each	70,00,000	56,90,63,600	70,00,000	66,61,34,000
Allotted and fully paid				
3,276,427 (2016: 3,276,427) ordinary shares of £1 each	32,76,427	26,63,56,478	32,76,427	31,17,91,346

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

17 Reserves

Retained earnings

The retained earnings include all current and prior period retained profits and losses.

Other reserves

The ultimate parent Company, NIIT Technologies Limited, India, operates an equity-settled, share-based compensation plan. Certain employees of the Company are awarded options over the shares in the ultimate parent. The fair value of the employee services received using the Black-Scholes option pricing model in exchange for these grants of options is recognised as an expense, with a corresponding increase in Other Reserves.

18 Share based payments

NIIT Technologies Limited, India, which is the 100% Holding Company of NIIT Technologies Limited, operates an Employee Stock Option Plan (ESOP 2005). The remuneration committee of the holding Company can grant options over shares in the holding Company to employees of the group. Options are granted with a fixed exercise price. Awards under the ESOP are generally reserved for employees at senior management level and above. In the current year, the holding Company has issued grants on 20 June 2016. Grants for which options are still outstanding are represented in the table below. Exercise of an option is subject to continued employment. The fair market value of the shares was valued using the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculation are as follows:

Grant date	Share price at grant date (Rs)	Exercise price (Rs)	Nos. of employees	Shares under option	Vesting year(s)	Expected volatility	Option life (years)	Expected life (years)	Risk free rate	Expected dividends expressed as a dividend yield *	Fair value per option (Rs)
15-Oct-14	393.70	393.70	1	21,000	1	35.17%	4	2.5	8.46%	3.82%	95.22
					2	35.98%	5	3.5	8.47%	3.82%	112.19
					3	35.38%	6	4.5	8.48%	3.82%	122.43
15-Oct-14	393.70	10.00	1	15,000	1	35.17%	4	2.5	8.46%	3.82%	349.75
					2	35.98%	5	3.5	8.47%	3.82%	336.97
					3	35.38%	6	4.5	8.48%	3.82%	324.67
20-Jun-16	534.30	534.30	1	24,270	1	41.85%	4	2.5	7.09%	3.06%	147.23
					2	38.34%	5	3.5	7.24%	3.06%	160.41
					3	37.72%	6	4.5	7.35%	3.06%	176.49

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

18 Share based payments (continued)

* Expected dividends expressed as a dividend yield

The schedule of live options exercisable is given in the table below:

Grant date	Live options	Vesting year(s)	Options exercisable
15-Oct-14	21,000	1	7,000
		2	7,000
		3	7,000
15-Oct-14	15,000	1	5,000
		2	5,000
		3	5,000
20-Jun-16	24,270	1	8,090
		2	8,090
		3	8,090

As the life of the option is greater than one year, there is considerable difficulty in estimating the amount and time of future dividend pay outs with certainty. Hence future dividend pay-out has not been incorporated in the valuation analysis.

The expected volatility for the options granted during the current reporting period is considered as shown in the table on the preceding page and is based on historical volatility in the share price movement of the ultimate holding Company. The expected life is the average of the minimum and maximum life of the options. The risk free rate of return for the options granted during the year is as shown in the table on the preceding page based on long-term Indian government securities.

A reconciliation of option movements over the year to 31 March 2017 is shown below:

	Number	2017 Weighted average exercise price INR Rs	Number	2016 Weighted average exercise price INR Rs
Outstanding at 1 April	169,000	218.63	171,000	216.19
Granted	24,270	534.30	12,000	10.00
Lapsed	62,000	185.48	-	-
Exercised	71,000	239.86	14,000	10.00
Outstanding at 31 March	60,270	354.82	169,000	218.63
Exercisable at 31 March	60,270	354.82	169,000	218.63

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

Range of Exercise Price	Weighted average exercise	Number of shares	Weighted average remaining life	
			Expected	Contractual
Rs 393.70	Rs 393.70	21,000	2.5	5
Rs 10.00	Rs 10.00	15,000	2.5	5
Rs 534.30	Rs 534.30	24,270	3.5	7

During the current reporting period 71,000 (2016: 14,000) options were exercised. The weighted average share price for options exercised during the year is Rs.239.86 (2016: Rs. 10.00). The net charge for the year relating to employee share based payment plans was £38,824 (2016: £89,480), all of which related to equity share based payment transactions.

19 Contingent liabilities and financial commitments

A bank guarantee of \$29,400 (2016: \$29,400) issued by Lloyds Bank in favour of Turkish Airlines Inc., has been surrendered to the Bank for cancellation. The bank is awaiting confirmation from Turkish Airlines to this affect.

Capital commitments relating to procurement of Plant & Machinery remaining to be executed and not provided for at the date of the financial statements is Nil (2016: £Nil).

As at 31 March 2017, there are no non-cancellable operating leases. (2016: £103)

20 Related party transactions

The Company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that it is a wholly owned subsidiary and consolidated financial statements are prepared by the ultimate parent Company, NIIT Technologies Limited, India. The consolidated financial statements published by the parent Company are publicly available.

During the year, the group undertook the below stated related party transactions with NIIT Limited, UK which through its holding Company owns 23.62% (2016: 23.69%) of the share capital of NIIT Technologies Limited (India).

NIIT Technologies Limited rendered support and administrative services to NIIT Limited, UK during the year totalling £112,866 (2016: £69,375). A year-end balance owed by NIIT Limited, UK is held within receivables amounting to £35,881 (2016: £8,342).

21 Pensions

The Company operates a defined contribution pension scheme. The charge for the year represents contributions payable by the Company to the fund and amounted to £238,934 (2016: £193,988) paid into defined contribution pension schemes. There is an accrual at the year-end for £23,682 (2016: £24,265).

NIIT Technologies Limited

Notes to the Financial Statements for the year ended 31 March 2017 (continued)

22 Ultimate parent company

The ultimate parent Company and controlling party is NIIT Technologies Limited, India, a Company registered in India, which is the parent of the smallest and largest group to consolidate these financial statements. NIIT Technologies Limited, India holds 100% of the issued ordinary share capital of NIIT Technologies Limited, UK.

NIIT Technologies Limited, India prepares consolidated financial statements and copies can be obtained from 8 Balaji Estate, First Floor, Guru Ravidas Marg, Kalkaji, New Delhi – 110019, India. Full consolidated financials can also be obtained for NIIT Technologies Limited, India, from that Company's website at the following address, <http://www.niit-tech.com/investors/financial-reports>