

NIIT Media Technologies LLC
Balance Sheet

	Note	As At			
		March 31, 2016		March 31, 2015	
		USD	INR	USD	INR
EQUITY AND LIABILITIES					
Shareholder's funds					
Share Capital	3	5,366,671	355,139,451	5,366,671	334,534,118
Reserves and Surplus	4	<u>986,847</u>	<u>6,353,518</u>	<u>1,242,216</u>	<u>77,434,186</u>
			420,444,025	6,608,887	411,968,304
Current liabilities					
Trade Payables	5	795,658	52,652,634	1,666,330	103,871,502
Other Current Liabilities	6	<u>209,849</u>	<u>1,005,506</u>	<u>533,641</u>	<u>33,264,765</u>
			66,539,372	2,199,971	137,136,267
TOTAL		7,359,024	486,983,397	8,808,858	549,104,571
ASSETS					
Non-current assets					
Fixed assets					
Tangible Assets	7	792,345	52,433,430	1,154,382	71,958,979
Intangible Assets	8	<u>107,605</u>	<u>7,120,761</u>	<u>229,189</u>	<u>14,286,611</u>
			59,554,191	1,383,571	86,245,568
Current assets					
Trade Receivables	9	1,714,392	113,449,866	212,088	13,220,610
Cash and Bank Balances	10	3,193,401	211,323,331	3,808,067	237,377,770
Short-term Loans and Advances	11	1,379,485	91,287,401	1,520,526	94,782,770
Other Current Assets	12	<u>171,796</u>	<u>11,368,607</u>	<u>1,884,606</u>	<u>117,477,853</u>
			427,429,205	7,425,287	462,859,003
TOTAL		7,359,024	486,983,397	8,808,858	549,104,571

The notes are an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Anupam Dhawan
Partner
Membership Number: 84451

Lalit Kumar Dhingra
Director

Arvind Thakur
Director

Place:
Date: May 03, 2016

NIIT Media Technologies LLC
Statement of Profit and Loss

	Note	Year Ended March 31, 2016		Year Ended March 31, 2015	
		USD	INR	USD	INR
Revenue					
Revenue from Operations	13	25,926,967	1,692,590,202	26,955,494	1,648,328,468
Other Income		7,710	503,337	819	50,064
Total Revenue		25,934,677	1,693,093,539	26,956,313	1,648,378,531
Expenses					
Employee Benefits Expense	14	9,459,700	617,557,590	8,265,901	505,459,816
Depreciation and Amortization Expense	15	810,541	52,914,525	1,135,616	69,442,921
Development Charges	16	5,839,767	381,237,523	5,370,770	328,422,580
Other Expenses	17	8,837,825	576,959,764	9,880,073	604,166,480
Total Expense		24,947,833	1,628,669,403	24,652,360	1,507,491,797
Profit before Exceptional and Extraordinary Items		986,844	64,424,136	2,303,953	140,886,735
Profit for the year		986,844	64,424,136	2,303,953	140,886,735

Earnings per Unit: [Nominal Value Per Unit: \$ 53,666
(2015 : \$ 53,666)]

Basic and Diluted Earning Per Unit	20	9,868	644,241	23,040	1,408,867
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The notes are an integral part of these financial statements.

This is the statement of profit and Loss referred to in our report of even date.

For Price Waterhouse

For and on behalf of the Board of Directors of NIIT Media Technologies LLC

Firm Registration Number: 301112E

Chartered Accountants

Anupam Dhawan
Partner

Membership Number: 84451

Lalit Kumar Dhingra
Director

Arvind Thakur
Director

Place:

Date: May 03, 2016

NIIT Media Technologies LLC

CASH FLOW STATEMENT

	Year ended March 31, 2016		Year Ended March 31, 2015	
	USD	INR	USD	INR
A. Cash flow from Operating activities:				
Profit before taxation and extraordinary items	986,844	64,424,169	2,303,953.34	140,886,747
Adjustments for :				
Depreciation and Amortization	810,541	52,914,525	1,135,616.05	69,442,921
Operating profit before working capital changes	1,797,385	117,338,701	3,439,569.39	210,329,668
Changes in Working Capital :				
(Decrease)/ Increase in Trade Payables	(870,673)	(56,840,139)	85,174.56	5,208,424
(Decrease)/ Increase in Other Current Liabilities	(323,792)	(21,138,139)	82,101.41	5,020,501
(Increase) in Trade Receivables	(1,502,304)	(98,074,890)	(3,856.60)	(235,831)
Decrease/ (Increase) in Short Term Loans and Advances	141,041	9,207,555	(156,566.98)	(9,574,071)
Decrease/ (Increase) in Other Current Assets	1,712,810	111,817,345	(1,884,605.93)	(115,243,653)
Cash Generated from Operating activities (A)	954,467	62,310,433	1,561,816	95,505,039
Income Tax Paid (Including Tax deducted at Source)	-	-	-	-
Net cash Generated from Operating activities (A)	954,467	62,310,433	1,561,816	95,505,039
B. Cash flow from Investing activities:				
Purchase of Tangible/Intangible assets	(326,920)	(21,342,296)	(637,155)	(38,962,007)
Net cash used in Investing activities (B)	(326,920)	(21,342,296)	(637,155)	(38,962,007)
C. Cash flow from Financing activities:				
Dividend Paid	(1,242,214)	(81,095,478)	(1,868,025)	(114,229,746)
Net cash used in Financing activities (C)	(1,242,214)	(81,095,478)	(1,868,025)	(114,229,746)
Net Increase/(Decrease) in Cash and Cash Equivalents A+B+C	(614,667)	(40,127,340)	(943,364)	(57,686,713)
Cash and Cash Equivalents at the beginning of the year	3,808,067	237,377,770	4,751,430	285,367,583
Currency Transaction Charges		(14,072,857)		(9,696,848)
Cash and Cash Equivalents at the end of the year	3,193,401	211,323,287	3,808,066	237,377,717
Net Increase/(Decrease) in Cash and Cash Equivalents	(614,667)	(40,127,340)	(943,364)	(57,686,713)

NOTES:

1 Cash and Cash equivalents comprise of:

Balances with Banks (refer note 10)	3,193,401	211,323,331	3,808,067	237,377,770
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2 The above cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 as ratified under Section 211(3c) [Companies (Accounting Standards) Rules, 2006, as amended.]

3 The enclosed notes 1 to 22 form an integral part of cash flow statement.

4 Figures in parenthesis indicate cash outflow.

5 Previous year's figures have been regrouped / reclassified to confirm the current year's classification.

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

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

For and on behalf of the Board of Directors of NIIT Media Technologies LLC

Anupam Dhawan
Partner

Membership Number: 84451

Lalit Kumar Dhingra
Director

Arvind Thakur
Director

Place:

Date: May 03, 2016

NIIT Media Technologies LLC

3 Share Capital

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Authorised: 100 (March 31, 2015 : 100) Units of USD 53,666 (March 31, 2015 : USD 53,666) each	5,366,671	355,139,451	5,366,671	334,534,118
Total	5,366,671	355,139,451	5,366,671	334,534,118

(a) Reconciliation of number of Units

	As at March 31, 2016			As at March 31, 2015		
	Number of Shares	Amount USD	Amount INR	Number of Shares	Amount USD	Amount INR
Balance as at the beginning of the year	100	5,366,671	334,534,118	100.00	5,366,671	322,318,501
Addition during the year	-	-	-	-	-	-
Currency Transaction Charges			20,605,333			12,215,616
Balance at the end of the year	100	5,366,671	355,139,451	100	5,366,671	334,534,118

(b) Right , Preference and restrictions attached to Units

The Joint Venture has one class of units with ownership rights, which have full voting rights on all matters submitted to the members of Joint Venture for their consideration and approval. A member shall not dispose of or encumber all or any portion of its units except in accordance with the terms specified in "Limited Liability Company Agreement" of NIIT Media Technologies LLC. The board of directors shall make distributions of free cash flow to the members in proportion to their sharing ratios, at such times and in such amounts as may be determined by the board of directors. In the event of dissolution , the Joint Venture property shall be distributed among the members in proportion to their respective positive capital account balance, as determined after taking into account all capital account adjustment for year during which dissolution of the Joint Venture occurs. All distributions in kind to the members shall be made subject to liability of each distributee for costs, expenses and liabilities thereto incurred for which the Joint Venture has committed prior to date of distribution.

(c) Details of Units held by shareholders holding more than 5% of the aggregate units in the Joint Venture

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
60 (March 2015: 60) units held by NIIT Technologies Inc., USA a subsidiary of NIIT Technologies Limited, India	3,220,003	213,083,670	3,220,003	200,720,471
40 (March 2015: 40) units held by M Star Solutions LLC	2,146,668	142,055,780	2,146,668	133,813,647
Balance at the end of the year	5,366,671	355,139,451	5,366,671	334,534,118

4 Reserves and Surplus

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Balance at the beginning of the year	1,242,216	77,434,186	806,288.50	48,425,123
Surplus in Statement of Profit and Loss	986,844	64,424,147	2,303,952.99	140,886,725
Dividend Distributed	(1,242,214)	(81,095,459)	(1,868,025)	(114,229,729)
Total	986,847	65,304,574	1,242,216	77,434,186

NIIT Media Technologies LLC

5 Trade Payables

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Trade Payables	795,658	52,652,634	1666330	103871502
Total	795,658	52,652,634	1666330	103871502

6 Other Current Liabilities

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Statutory Dues (including payroll tax and withholding tax)	10,142	671,163	83497	5204829
Employee Benefits Payable	199,707	13,215,581	450144	28059936
Total	209,849	13,886,744	533641	33264765

NIIT Media Technologies LLC

9 Trade Receivables

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
(Unsecured, considered good unless otherwise stated) Outstanding for a period exceeding 6 months from the date they are due for payment.	-	-	-	-
Others	1,714,392	113,449,866	212,088	13220610
Total	1,714,392	113,449,866	212,088	13,220,610

10 Cash and Bank Balances

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Cash and Cash Equivalents Balance with Bank In Current Account	3,193,401	211,323,331	3,808,067	237,377,770
Total	3,193,401	211,323,331	3,808,067	237,377,770

11 Short Term Loan and Advances

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
(Unsecured, considered good unless otherwise stated) Prepaid Expenses	1,344,908	88,999,274	1,479,630	92,233,478
Others Loans and Advances	34,577	2,288,127	40,896	2,549,293
Total	1,379,485	91,287,401	1,520,526	94,782,770

12 Other Current Assets

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Unbilled Revenue	171,796	11,368,607	1,884,606	117,477,853
	171,796	11,368,607	1,884,606	117,477,853

13 Revenue From Operations

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Sale of Services	25,926,967	1,692,590,202	26,955,494	1,648,328,468
Total	25,926,967	1,692,590,202	26,955,494	1,648,328,468

14 Employee Benefits Expense

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Salaries, Wages and Bonus	9,342,826	609,927,710	8,101,846	495,427,882
Contribution to Retirement Benefit Plan [refer note (a) below]	26,563	1,734,113	20,055	1,226,359
Staff Welfare Expenses	90,311	5,895,767	143,999.59	8,805,575
Total	9,459,700	617,557,590	8,265,901	505,459,816

Note(a) Employee benefits:

Defined Contribution Plan

The Joint Venture makes contribution towards retirement pension plan for eligible employees. During the year, the Joint Venture has charged the following amount to statement of profit and loss:

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Contribution to retirement pension plan	26,563	1,734,113	20,055	1,226,359

15 Depreciation and Amortization Expense

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Depreciation on Tangible Assets	684,994	44,718,454	905,039	55,343,132
Amortization on Intangible Assets	125,547	8,196,072	230,577	14,099,787
Total	810,541	52,914,525	1,135,616	69,442,919

NIIT Media Technologies LLC

16 Development Charges

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Subcontracting Cost	5,839,767	381,237,523	5,370,770	328,422,580
Total	5,839,767	381,237,523.4	5,370,770	328,422,580

17 Other Expenses

	For Year ended March 31, 2016		For Year ended March 31, 2015	
	USD	INR	USD	INR
Rent [Refer Note (a) below]	778,557	50,826,528	779,061	47,639,587
Rates and Taxes	20,576	1,343,234	44,862	2,743,281
Electricity and Water	109,797	7,167,864	120,503	7,368,777
Communication	945,589	61,730,916	893,431	54,633,300
Legal and Consultancy	505,404	32,994,312	522,180	31,931,333
Audit Expenses				
- Audit Fee	24,913	1,626,395	19,913	1,217,680
- Reimbursement of expenses	1,600	104,453	1,940	118,631
Travelling and Conveyance	345,009	22,523,192	307,765	18,819,852
Insurance Premium	48,557	3,169,972	42,862	2,620,981
Repairs and Maintenance				
- Plant and Machinery	67,510	4,407,254	230,959	14,123,154
- Others	3,732,523	243,670,301	3,607,577	220,603,349
Professional Charges	896,282	58,511,996	1,009,173	61,710,915
Sundry Expenses	1,361,508	88,883,346	2,299,847	140,635,639
Total	8,837,825	576,959,764	9,880,073	604,166,480

Note (a):

The Joint Venture has operating leases for office premises and Equipment. These lease arrangement are for the period of 1 to 5 years which include both cancellable and non cancellable leases.

(i) With respect to all operating leases :

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Lease expenses recognized in the statement of profit and loss	778,557	50,826,528	779,061	47,639,587

(ii) With respect to non-cancellable leases :

The future minimum lease payments are as follows :

	As At March 31, 2016		As At March 31, 2015	
	USD	INR	USD	INR
Not Later than one Year	1,090,151	71,168,351	778,557	47,608,783
Later than one year and not later than five years	670,283	43,758,106	1,189,179	72,718,297
Later than five Years	-	-	-	-

NIT Media Technologies LLC

18 Related party transactions as per Accounting Standard 18:

A Related party relationship where control exists

Joint Venturer (with 60% Stake): **NIT Technologies INC. USA**
 Ultimate Holding Company: **NIT Technologies Limited, India**
 Joint Venturer (with 40% Stake): **Mstar Solutions, LLC (through its affiliates):-**
 Morris Communications Company, LLC
 Morris Publishing Group, LLC

B Other related parties with whom the Joint Venture has transacted:

a) Parties to whom the Joint Venturer is a fellow subsidiary:
 NIT Technologies Philippines Inc.
 NIT Technologies Ltd., UK

C Details of transaction with related parties carried out on an arms length basis

(Amount in USD)

Nature of Transactions	Year Ended	Joint Venturer, NIT Technologies Inc., USA (60% Share in JV)		Ultimate Holding NIT Technologies Limited		Morris Communications Company, LLC		Morris Publishing Group, LLC		Fellow Subsidiaries of Joint Venturer		Total	
		USD	INR	USD	INR	USD	INR	USD	INR	USD	INR	USD	INR
Receiving of Services	March 31, 2016	-	-	5,322,932	347,496,955	47,761	3,117,994	-	-	469,074	30,622,574	5,839,767	378,119,529
	March 31, 2015	-	-	4,962,260	303,442,193	69,315	4,238,612	-	-	339,195	20,741,755	5,301,455	324,183,948
Sale of Services	March 31, 2016	-	-	-	-	4,203,230	274,399,496	21,375,386	1,395,449,320	-	-	25,578,616	1,669,848,816
	March 31, 2015	-	-	-	-	4,272,070	261,237,087	20,104,943	1,229,417,262	-	-	24,377,013	1,490,654,349
Payment of Dividend	March 31, 2016	745,328	48,657,275	-	-	496,886	32,438,183	-	-	-	-	1,242,214	81,095,458
	March 31, 2015	1,120,815	68,537,837	-	-	747,210	45,691,892	-	-	-	-	1,868,025	114,229,729
Recovery of Expenses from the Joint Venture	March 31, 2016	897,714	58,605,436	394,725	25,768,838	368,823	24,077,901	15,786	965,295	-	-	1,677,048	108,452,174
	March 31, 2015	1,014,657	62,046,296	392,121	23,978,203	69,781	4,267,134	-	-	-	-	1,476,559	90,291,634
Recovery of Expenses by the Joint Venture	March 31, 2016	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2015	-	-	2,117	129,427.03	-	-	23,955	1,464,844	-	-	26,072	129,427

D Details of balances with related parties as at year end:-

(Amount in USD)

Nature of Transactions	Year Ended	Joint Venturer, NIT Technologies Inc., USA (60% Share in JV)		Ultimate Holding NIT Technologies Limited		Morris Communications Company, LLC		Morris Publishing Group, LLC		Fellow Subsidiaries of Joint Venturer	
		USD	INR	USD	INR	USD	INR	USD	INR	USD	INR
Receivables (Note 1)	As on March 31, 2016	-	-	-	-	181,503	12,010,955	1,184,189	78,363,732	-	-
	As on March 31, 2015	-	-	-	-	13,019	811,533	116,423	7,257,265	-	-
Payables (Note 2)	As on March 31, 2016	70,089	4,638,137	84,169	5,569,885	-	-	15,920	1,053,521	-	-
	As on March 31, 2015	68,926	4,561,202	501,644	31,270,257	-	-	-	-	35,269	2,198,511
Other Current Assets - Unbilled Revenue	As on March 31, 2016	-	-	-	-	171,796	11,368,600	-	-	-	-
	As on March 31, 2015	-	-	-	-	1,884,606	117,477,857	-	-	-	-

19. Segment information:

Primary Segment Information- business segment

The Joint Venture operates in a single business segment- Software services and accordingly, no primary segment information is being given.

Secondary Segment information:

The Joint Venture operates in a single geographical segment- North America and accordingly, no secondary segment information is being given.

NIIT Media Technologies LLC

20 . Earning Per Unit :

Basic and Diluted	Year ended March 31, 2016		Year ended March 31, 2015	
	Profit for the year - (A)	986,844	64,424,136	2,303,953
Weighted Average number of Units Outstanding during the year - (B)	100	100	100	100
Basic Earning per Unit US\$ - (A/B)	9,868	644,241	23,040	1,408,867

21. The Joint Venture is not taxable in the State of Georgia, United States of America as per the applicable taxation laws. Accordingly, the tax expense for the current year is NIL (March 31, 2015 : NIL).

22. The Previous year figures have been reclassified to conform to current year's classification.

For Price Waterhouse

For and on behalf of the Board of Directors of NIIT Media Technologies LLC

Firm Registration Number: 301112E

Chartered Accountants

Anupam Dhawan

Partner

Membership Number: 84451

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Place:

Date: May 03, 2016