NIIT

SHARPENING THE EDGE

NIIT LIMITED ANNUAL REPORT
2010-2011

OUR VISION

VALUES, MOTIVES AND BELIEFS

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

•

NIIT IS PEOPLE

WE HAVE POSITIVE REGARD FOR EACH ONE OF US

•

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

•

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

•

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

•

NIIT IS QUALITY AND VALUE

EACH OF US WILL ENSURE THAT IN ANY ASSOCIATION WITH SOCIETY, SOCIETY BENEFITS SUBSTANTIALLY MORE THAN:
(A) WHAT SOCIETY GIVES TO US.
(B) WHAT SOCIETY WOULD GAIN FROM ANY OTHER SIMILAR ASSOCIATION

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

•

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

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

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NIIT IS A MISSION

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

•

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

NIIT

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CORPORATE INFORMATION

Board of Directors
Rajendra S. Pawar
Chairman and Managing Director

Vijay K. Thadani
Chief Executive Officer &
Whole-time Director

P. Rajendran
Chief Operating Officer &
Whole-time Director

Subroto Bhattacharya
Director

Surendra Singh
Director

Sanjay Khosla
Director

Madhabi Puri Buch
Director

Company Secretary
Rajesh Arora

Group Chief Financial Officer
Ashok Arora

Chief Financial Officer
Jitender Mahajan

Auditors
Price Waterhouse

Banks
ICICI Bank
Indian Overseas Bank
Standard Chartered Bank
Citibank NA
BNP Paribas
Wachovia Bank of Georgia
Bank of the West

Registered Office
B-234 Okhla Phase - I
New Delhi 110 020, India
Email (Investor Services): investors@niit.com
Tel : +91-11-41407000
Fax : +91-11-26817344

Corporate Office
85, Sector 32, Institutional
Gurgaon 122 001, India
Email: niit.webmaster@niit.com
Tel : +91-124-4293000
Fax : +91-124-4293333

Registrar and Share Transfer Agent
Alankit Assignments Ltd.
Unit - NIIT Limited
Alankit House
2E/21, Jhandewalan Extn.
New Delhi-110055, India
Tel : +91-11-23541234, 42541234
Fax : +91-11-42541967

Website
www.niit.com

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FINANCIAL HISTORY

REVENUES & PROFITABILITY (Rs. Mn)

For the Fiscal period ended	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Global Revenues (NIIT & its subsidiaries)	7,951	10,068	11,486	11,993	12,483
REVENUES OF NIIT LTD.	4,008	4,975	5,795	6,448	6,698
Operating Expenses	3,325	4,112	4,649	5,286	5,491
Interest & Finance Expenses	50	74	108	171	212
Depreciation	314	358	402	542	577
Profit Before Tax	319	431	635	448	553
Profit After Tax	329	328	472	312	497
Equity Dividends	143	214	214	231	248
Earnings Per Share (Rs.) * - Basic	16.97	2.02	2.86	1.89	3.01
Operating Margin (%)	17.0	17.3	19.8	18.0	18.0
Profit Before Tax / Revenues (%)	8.0	8.7	11.0	7.0	8.3
Return on Capital Employed (%)	8.5	9.0	9.9	7.5	10.7

ASSETS & LIABILITIES (Rs. Mn)

As At	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Sources of Funds					
Equity Capital	198	329	330	330	330
Reserves & Surplus	2,896	3,308	3,518	3,610	3,833
Loan Funds	1,340	813	1,987	2,506	2,497
Deferred Tax Liability	-	-	-	1	-
Total	**4,434**	**4,450**	**5,835**	**6,447**	**6,660**
Applications of Funds					
Gross Block (includes Capital Work in Progress)	2,630	2,870	3,584	3,977	4,622
Net Block (includes Capital Work in Progress)	1,158	1,208	1,952	1,900	2,024
Investments	1,702	1,785	1,848	2,012	2,031
Deferred Tax Assets	77	95	62	-	27
Current Assets	2,846	2,991	4,074	4,459	5,038
Current Liabilities	1,349	1,629	2,102	1,924	2,459
Net Current Assets	1,497	1,362	1,972	2,535	2,579
Total	**4,434**	**4,450**	**5,835**	**6,447**	**6,660**
Debt-Equity Ratio	0.43	0.22	0.52	0.64	0.60
Current Ratio	2.11	1.84	1.94	2.32	2.05
Fixed Asset Turnover	1.52	1.73	1.62	1.62	1.45
Receivable Days	144	100	119	127	149
Dividend per share (Rs.)	6.50**	1.3	1.3	1.4	1.5
Book value per share (Rs.) *	157	22	23	24	25
Share Price on Closing date (BSE) (Rs.)	665	98	20	58	58
Market Capitalisation (Rs. Mn)*	13,138	16,141	3,341	9,518	9,600

Notes: * Based on Equity outstanding as on Balance Sheet date
** Based on the Face value of Rs. 10 per share

NIIT Limited

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CONSOLIDATED FINANCIAL HISTORY

CONSOLIDATED REVENUES & PROFITABILITY (Rs. Mn)

For the Fiscal period ended	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
REVENUES OF NIIT CONSOLIDATED	7,951	10,068	11,486	11,993	12,483
Operating Expenses	7,177	9,033	10,300	10,425	10,890
EBITDA	774	1,036	1,186	1,569	1,593
Net other income(-)/expense(+)	55	104	45	329	323
Depreciation	473	529	647	751	854
Profit Before Tax ,Exceptional items and Share of Associate profit	246	402	493	488	415
Exceptional items	-	-	-	-	142
Profit after Tax before share of Associates' profit	242	422	389	380	469
Profit attributable to Equity shareholders	573	756	698	702	922
Equity Dividends	143	214	214	231	248
Earnings Per Share (Rs.) * - Basic	29.5	4.7	4.2	4.3	5.6
Operating Margin (%)	9.7	10.3	10.3	13.1	12.8
Profit Before Tax / Revenues (%)	3.1	4.0	4.3	4.1	3.3
Return on Capital Employed (%)	15.3	15.9	15.4	14	15.3

ASSETS & LIABILITIES (Rs. Mn)

As At	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Sources of Funds					
Equity Capital	198	329	330	330	330
Reserves & Surplus	2,947	3,691	4,445	4,713	5,235
Minority interest	4	15	6	22	30
Loan Funds	2,698	2,057	3,481	4,046	3,658
Total	**5,847**	**6,092**	**8,262**	**9,110**	**9,253**
Application s of Funds					
Gross Block (includes Capital Work in Progress)	5,835	6,290	8,459	8,585	9,393
Net Block (includes Capital Work in Progress)	3,846	3,981	5,730	5,364	5,422
Investments	611	892	1,066	1,274	1,641
Deferred Tax Assets	81	250	344	298	307
Current Assets	4,511	4,578	5,688	6,380	7,104
Current Liabilities	3,203	3,611	4,568	4,207	5,221
Net Current Assets	1,308	967	1,121	2,174	1,883
Miscellaneous Expenditure	1	1	1	1	-
Total	**5,847**	**6,092**	**8,262**	**9,110**	**9,253**
Debt-Equity Ratio	0.86	0.51	0.73	0.80	0.66
Current Ratio	1.41	1.27	1.25	1.52	1.36
Fixed Asset Turnover	1.36	1.60	1.36	1.40	1.33
Receivable Days	101	74	92	104	114
Dividend per share (Rs.)	6.5**	1.30	1.30	1.40	1.50
Book value per share (Rs.) *	159	24	29	31	34
Share Price on Closing date (BSE) (Rs.)	665	98	20	58	58
Market Capitalization (Rs. Mn)*	13,138	16,141	3,341	9,518	9,600

Notes: * Based on Equity outstanding as on Balance Sheet date
** Based on the Face value of Rs. 10 per share

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NIIT at a Glance

Global Learning Solutions for Individuals, Enterprises, Schools and Colleges

- Presence in 40 countries worldwide
- Largest Learning Content Development facility in the world

- **For Individuals**

  Instructor-led Training, Computer-based Training and e-Learning programmes:

  - GNIIT for IT careers
  - 'NIIT Edgeineers', a range of specialized programmes to provide cutting-edge career for engineering graduates and IT professionals
  - NIIT GlobalNet+, specialized programmes on Networking and Infrastructure Management
  - Degrees in alliance with Universities
  - SWIFT for Internet and IT literacy
  - Bioinformatics and Educational Technology programmes
  - Executive Management Programmes for working professionals, from premier business schools through NIIT Imperia, Centre for Advanced Learning
  - Training programs for financial services sector from NIIT Institute of Finance, Banking & Insurance (IFBI)
  - NIIT Uniqua, Centre for Process Excellence, addresses the increasing demand for skilled workers in the business and technology services industry by providing training programs in relevant areas. This is a part of NIIT Institute of Process Excellence, a NIIT-Genpact venture
  - Facilitate scholarship programs through Bhavishya Jyoti Scholarship initiative
  - National IT Aptitude Test, India's largest and most widely recognized IT Aptitude Test
  - www.training.com, an e-Learning initiative to provide convenient, personalized and affordable training to students and working professionals
  - Industry linked joint programs in IT and Management Sciences with IGNOU-world's largest Open University

- **For Corporations**

  Learning Solutions for Enterprise:

  - Instructor-led and e-Learning Training in IT and Soft Skills
  - Advisory Services
  - Custom Content Development
  - Application and Process Rollout Training
  - Learner Management Systems
  - Learner Support Services
  - A suite of catalogue products from Element K
  - Assessment and Testing services from NIIT Litmus
  - English language testing and assessment services through ETS
  - English language training from Evolv
  - Managed Training Services

NIIT at a Glance (Contd.)

- **For Colleges and Universities**
  - ❖ In-campus Learning Delivery through Synchronous Learning
  - ❖ Curriculum Design
  - ❖ Learner and Faculty Support Services

- **For Government and Private Schools**

  NIIT has provided computer-based learning to over 14,000 government and private schools across the country cumulatively impacting lives of more than 9 million kids. NIIT further strengthened its leadership position in the Govt. sector by getting new orders for IT education and IT enabled education projects as well as extension and repeat orders from governments of Assam and Maharashtra. Some of the highlights of school learning solutions by NIIT are:

  - ❖ NIIT NGuru is a holistic School Learning Solution that comprises of Interactive Classrooms (an end to end Teaching Learning solution for classrooms that uses elements of interactivity, automation and web links library); Math lab (State-of-the-art Mathematics Laboratory for schools which comes with Geometer's Sketchpad Software, Multiple Teaching and Learning Aids like Technology Applications, Videos, Manipulative, Measuring Instruments and Theme Based Ambience); IT Wizard (equips the students with core computer knowledge and IT skills); Quick School (an Education Resource Planning solution for school management) and Mobile Science Lab (the first of its kind portable computerized Science Laboratory which enables students to correlate scientific concepts taught in the class to real life).

- **Hole-in-the-Wall Education Ltd. (HiWEL)**
  - ❖ Minimally Invasive Education kiosks to provide free and unsupervised access to computers for children belonging to economically and socially marginalized sections of the society.

- **NIIT Yuva Star, Career Development Centre**
  - ❖ To bridge the Education-Employability gap and create talent pool in urban slums, NIIT announced NIIT Yuva Star, Career Development Centre. 20 centers are now operating in Delhi - NCR and Jaipur and have impacted over 7000 slum youth already.

- **NIIT District Learning Centre**
  - ❖ In line with its commitment to harness talent pool from semi-urban India, NIIT has two fully functional District Learning Centres at Chhindwara and Barkuhi in MP. These centers have impacted over 1500 students already with placements in companies like Infosys, NIIT Technologies and Hindustan Levers.

- **Alliances with global IT majors**
  - ❖ Cisco, IBM, Intel, Microsoft, Oracle, SAP, Sun Microsystems, SAS, Tally, Thomson Prometric, Pearson VUE & Zend