

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

Independent Auditor's Report

To the Members of ESRI India Technologies Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of ESRI India Technologies Limited ("the Company"), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the

Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



Branches:

Calcutta: P-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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund

Place: New Delhi
Date: 21st April 2016



For **GHOSH KHANNA & CO.**
Firm's registration number: 003366N
Chartered Accountants

Ashish Ghosh
Ashish Ghosh
Partner
Membership No.81732

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner at regular intervals. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Point (i)c of paragraph of the order, relates to the title deeds of immovable properties are held in the name of the Company is not applicable.
- (ii) Physical verification of inventory was conducted at reasonable intervals by the management and no material discrepancies were noticed during the verification.
- (iii) The Company has not granted any loans under section 189 of the Companies Act, 2013 ('the Act').
 - (a) Point (iii)(a) of paragraph 3 of the Order, related to terms and conditions of loans granted, is not applicable as no loans were granted during the financial year.
 - (b) Point (iii)(b) of paragraph 3 of the Order, related to schedule of repayment of loans granted, is not applicable as no loans were granted during the financial year.
 - (c) Point (iii)(c) of paragraph 3 of the Order, related to details of overdue of loans granted, is not applicable as no loans were granted during the financial year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered/ goods traded by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable except the following.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:



According to the information and explanation given to us there are no dues of Income Tax, Wealth Tax, Sales Tax, Custom Duty, and Cess, which have not been paid on account of any dispute. There is a demand of Rs.40,375,327 by the Income Tax department for the A.Y 2006-07 Rs.5,43,72,720/- for A.Y 2007-08 against which company has preferred an appeal to the Commissioner of Income Tax(Appeals) and demands set aside by CIT (A) matter now in departmental appeal at ITAT & Favorable Order received from ITAT.

There is a demand of Rs.58,374,769/- by the Income Tax department for the A.Y 2008-09 against which company has preferred an appeal to the Commissioner of Income Tax(Appeals) and demands set aside by CIT (A) matter now in departmental appeal at ITAT.

There is a demand of Rs.2,600,327 by the Income Tax department for the A.Y 2009-10 against which company has filed an appeal to the Commissioner of Income Tax(Appeals) & received the Favorable order.

There is a demand of Rs.33,785,447 by the Income Tax department for the A.Y 2010-11 against which company has filled an appeal to the Commissioner of Income Tax(Appeals)

The income Tax Department has raised a demand of Rs. 13,911,780 for the Assessment year 2011-12, primarily on account of disallowance of claim u/s 80IC of the income Tax Act, 1961. The company has filled an appeal with the Commissioner of Income Tax (Appeals).

The income Tax Department has raised a demand of Rs. 3,398,500 for the Assessment year 2012-13, primarily on account of disallowance of claim u/s 80IC of the income Tax Act, 1961. The company will be filled an appeal with the Commissioner of Income Tax (Appeals).

The Central Excise, Chandigarh raised a demand of Rs.120,582,449 and equivalent amount of Rs.120,582,449 as penalty. The company has received an unconditional stay order from the Excise Tribunal against the said order.

The Central Excise & Service Tax Chandigarh raised a demand of Rs.42,349,703. However the company has received the favorable order from the Commissioner Central Excise & Service Tax Chandigarh. Now department has filled a case against that order.

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us. no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) Point (xi) of paragraph 3 of the Order, related to payment/provided of managerial remuneration is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **GHOSH KHANNA & CO.**
Firm's registration number: 003366N
Chartered Accountants



Place: New Delhi
Date: 21st April 2016

Ashish Ghosh
Ashish Ghosh
Partner
Membership No.81732

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ESRI India Technologies Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposal of the assets of the company; (2) provide assurance that transactions are recorded



as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GHOSH KHANNA & CO.**
Firm's registration number: 003366N
Chartered Accountants



Ashish Ghosh

Ashish Ghosh
Partner
Membership No.81732

Place: New Delhi
Date: 21st April 2016

ESRI India Technologies Limited

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Financials Statements are prepared to comply in all material aspects with the applicable accounting principles in India, the applicable accounting standards notified under section 133 of the Companies Act 2013 and the relevant provision of the Companies Act 2013.

i) Fixed Assets

Fixed Assets are stated at acquisition cost.

ii) Depreciation and Amortization

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

Vehicles	8 years
Plant and Machinery- Computers and Peripherals	3-6 years
All other assets	Rates prescribed under schedule II to the Companies Act, 2013

iii) Impairment of Assets

All assets other than inventories, investments and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount.

iv) Revenue Recognition

Software Products

Revenue from sale of products including sale of software user licenses are recognized when dispatch/delivery to the customer has occurred. In case of multiple element contracts involving products and services, revenue is recognized on proportionate completion basis except where individual components are separable products or services that can be dealt with on a standalone basis in which case revenue in respect of each component is recognized separately as per the terms of contract.

Software Services.

The revenue from time and material contracts is recognized on a man month basis. Revenue from fixed price contracts is recognized on proportionate completion method basis and foreseeable loss on the completion of contracts if any, is provided for

Annual Maintenance Contracts

Revenue from Annual Maintenance Contracts are recognized in relation to time elapsed on Straight line basis.



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v) Employee Benefits

a) Retirement Benefit Plans:

- Provident Fund

The company has 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 has started making Provident Fund contribution to the Trust benefit from 1st August 2009. 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 made defined contribution to Regional Provident Fund Commissioner w.e.f. 1st October 2005 till 31st July 2009 in respect of Provident Fund. The Company does not have any further obligation in this respect.

For the period up to 30th September 2005, the Company made contribution to NIIT Limited Employees' Provident Fund Trust (NIIT Limited Trust) established for the purpose of Provident Fund by NIIT Limited which 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 towards any possible shortfall is actuarially determined and provided for. The company is in the process of completing the formalities of transferring the accumulated balances of Corpus of NIIT Limited Trust as relatable to ESRI India Technologies Limited to the NIIT Technologies Limited Employees' Provident Fund Trust.

The Company's contribution towards provident fund is charged to Profit and Loss Account..

- 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.



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vi) Foreign Currency Transaction

Transactions in foreign currency are booked at standard rates determined periodically, which approximate the actual rates, and all monetary assets and liabilities in foreign currency are restated at the year-end. Gain/Loss arising out of fluctuations on realization/payment or restatement is charged/credited to the profit & loss account.

vii) Leases

Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis over the term of the related lease arrangement.

viii) 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.

Minimum Alternative Tax (MAT) credit asset is recognized in the Balance Sheet where it is likely that it will be adjusted against discharge of the tax liability in future.

ix) Provisions and contingencies

The Company creates a provision when there is 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) Inventory

Inventory is carried at lower of cost or Net realizable value.

2. OTHER NOTES:

(i) **Earnings per Share:**

	2015-16	2014-15
Profit Attributable to Shareholders (Rs.)	94,365,184	204,819,105
Basic/Diluted average Equity Shares (Nos.)	1,000,070	1,000,070
Nominal Value of Equity Share (Rs.)	10	10
Basic / Diluted Earnings per share	94.36	204.80

Note:

The company does not have any outstanding dilutive potential equity shares. Consequently, the basic and dilutive EPS of the company remains the same.



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(ii) **EARNINGS IN FOREIGN CURRENCY**

	2015-16 (Rs.)	2014-15 (Rs.)
Software Services	87,602,569	122,873,936

(iii) **CIF VALUE OF IMPORTS**

	2015-16 (Rs.)	2014-15 (Rs.)
Bought out packages / products & Raw Materials	23,182,784	38,506,269

(iv) **EXPENDITURE IN FOREIGN CURRENCY** (Considered on accrual basis)

	2015-16 (Rs.)	2014-15 (Rs.)
Travel	2,867,444	7,535,124
Royalty (Net of TDS)	202,091,275	202,985,063
Others	23,946,228	25,484,700

(v). **RELATED PARTY TRANSACTION AS PER ACCOUNTING STANDARD 18:**

(a) Related parties relationship where controls exist

Holding Company

(i) NIIT Technologies Limited, India

Fellow Subsidiaries

- (i) NIIT SmartServe Limited, India
- (ii) NIIT Technologies Limited, United Kingdom
- (iii) NIIT Benelux BV, Netherlands
- (iv) NIIT Technologies Pte Limited, Singapore
- (v) NIIT Thailand Ltd, Thailand
- (vi) NIIT Technologies Pty Ltd, Australia
- (vii) NIIT Technologies Co. Ltd, Japan
- (viii) NIIT Technologies GmbH, Germany
- (ix) NIIT Technologies Brazil LTD A
- (x) NIIT Technologies AG, Switzerland
- (xi) NIIT Technologies Inc , USA
- (xii) NIIT Belgium NV, Belgium
- (xiii) NIIT Insurance Technologies Limited, U.K
- (xiv) NIIT Technologies Limited, Canada
- (xv) NIIT Airline Technologies GmbH, Germany
- (xvi) NIIT Technologies FZ LLC, Dubai
- (xvii) NIIT Technologies AG, Germany
- (xviii) NIIT SmartServe Limited, UK
- (xix) NIIT Technologies Services Ltd
- (xx) NIIT Media Technologies Ltd.
- (xxi) NIIT Technologies SA
- (xxii) NIIT Technologies Philippines



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- (xxiii) Incessant Technologies Private Limited
- (xxiv) Incessant Technologies (AUS) Pty Ltd
- (xxv) Incessant Technologies (UK) Ltd
- (xxvi) Incessant Technologies NA Inc.
- (xxvii) Incessant Technologies (CA) Inc.
- (xxviii) Incessant Technologies (Ireland) Limited

(b) Other related parties with whom the company has transacted:

- (i) Parties of whom the company is an associate:
 - NIIT Limited, India
 - Environmental Systems Research Institute, Inc. USA
 - Evolv Services Ltd
 - NIIT Institute of Information Technology

(c) Details of transaction with related parties on an arms length basis.

(Amount in Rs.)

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties to whom company is an associate	Key Managerial personnel	Total
Payment of Royalty/Other Ser. (Note 2)	NIL (NIL)	300,814,371 (153,207,139)	NIL (NIL)	300,814,371 (153,207,139)
Rendering of services/Sale of software (Note 3)	96,738,094 (98,435,666)	NIL (NIL)	NIL (NIL)	96,738,094 (98,435,666)
Receiving of services (Note 4)	12,779,387 (7,703,879)	NIL (81,738)	NIL (NIL)	12,779,387(7,785.6 17)
Transfer of expenses from (Note 5)	19,146,104 (17,808,974)	NIL (33,709)	NIL (NIL)	19,146,104 (17,842,683)
Transfer of expenses to (Note 6)	3,131,389 (1,778,117)	NIL (NIL)	NIL (NIL)	3,131,389 (1,778,117)
Donation (Note 7)	NIL (NIL)	3,173,355 (2,600,000)	NIL (NIL)	3,173,355 (2,600,000)
Total	131,794,974 (125,726,637)	303,987,726 (155,922,586)	- (-)	435,782,700 (281,370,599)

(d) Details of balances with related parties as at year end

Amount in Rs.

Nature of Transaction	Holding Company and Fellow Subsidiaries	Parties to whom company is an associate	Key Managerial personnel	Total
Receivable (Note 8)	21,387,529 (18,562,514)	NIL (NIL)	NIL (NIL)	21,387,529 (18,562,514)
Payable (Note 9)	4,469,355 (5,500,226)	NIL (4,726,734)	NIL (NIL)	4,469,355 (10,226,960)



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

2. Includes transactions for the year mainly with;
Environmental Systems Research, Inc., USA Rs.300,814,371 (Previous year Rs.153,207,139)
3. Includes transactions for the year mainly with;
NIIT Technologies Inc., USA Rs.83,095,703 (Previous year Rs.85,363,170)
NIIT Technologies Limited Rs.12,661,200 (Previous year Rs.11,096,731)
NIIT Technologies PTE Ltd., Singapore Rs.981,192(Previous year Rs.1,975,764)
4. Includes transactions for the year mainly with;
NIIT Technologies Limited Rs.11,678,888 (Previous year Rs.6,704,699)
NIIT Smart Serve Limited Rs.1,100,500 (Previous Year Rs.999,180)
Evolv Services Limited RsNIL(Previous Year Rs81,738)
5. Includes transactions for the year mainly with;
NIIT Technologies Limited Rs.14,704,338 (Previous year Rs.12,665,612)
NIIT Smart Serve Limited Rs.4,441,765 (Previous year Rs.5,143,362)
NIIT Limited, India Rs.NIL (Previous year Rs.33,709)
6. Includes transactions for the year mainly with;
NIIT Technologies Limited Rs.1,346,240 (Previous year Rs.NIL)
NIIT Technologies Limited -USA Branch Rs.491,315 (Previous year Rs.1,525,468)
NIIT Technologies Limited -NSU1 Rs.261,271 (Previous year Rs.NIL)
NIIT Technologies Pte Limited, Singapore Rs.228,627 (Previous year Rs.252,649)
NIIT Smart serve Limited Rs.803,936(Previous year Rs.NIL)
7. Includes balances mainly with;
NIIT Institute of Information Technology – Rs.3,173,355 (Previous Year Rs.2,600,000)
8. Includes balances mainly with;
NIIT Technologies Limited Rs.10,748,707 (Previous year Rs.10,600,309)
NIIT Technologies Limited -NSU1 Rs.273,028 (Previous year Rs.NIL)
NIIT Technologies Inc., USA Rs.9,384,602 (Previous year Rs.5,916,742)
NIIT Technologies Pte Limited, Singapore Rs.981,192 (Previous year Rs.2,045,463)
9. Includes balances mainly with;
NIIT Technologies Limited Rs.4,283,989 (Previous year Rs.4,883,712)
NIIT Smart Serve Limited Rs.185,366 (Previous Year Rs.616,513)
Evolv Services Limited Rs.NIL (previous Year Rs.83,667)
Environmental Systems Research Institute, Inc. Rs.NIL (Previous year Rs.4,643,068)

(vi). Employee Benefits:

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

A. Defined Contribution Plans

- a) Provident Fund.
- b) Superannuation Fund.

During the year the Company has recognized the following amounts in the Statement of Profit and Loss :-



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	2015-2016	2014-2015
Employers Contribution to Provident Fund.*	4,510,788	4,161,724
Employers Contribution to Superannuation Fund.*	788,7618	16,370

B. State Plans

- a) Employers Contribution to Employee State Insurance.*
- b) Employers Contribution to Employee's Pension Scheme 1995.*

During the year the Company has recognized the following amounts in the Statement of Profit and Loss account:-

	2015-2016	2014-2015
Employers Contribution to Employee State Insurance.*	196,823	185,424
Employers Contribution to Employee's Pension Scheme 1995.*	3,193,125	2,400,714

* Included in Contribution towards Provident and Other Funds under Personnel Expenditure (Refer Note22)

C. Defined Benefit Plans

- a) Provident Fund:

An actuarial analysis of the interest earning of the Provident Fund Trust to whom the company had made contribution was carried out by an independent actuary. The actuary has recommended that no additional provision is required considering overall interest earning, cumulative surplus and present statutory rate of interest. Accordingly no additional provision in respect of provident fund liability is considered necessary.

- b) Contribution to Gratuity Funds – Employee's Gratuity Fund

(vii). The dominant source of risk and returns of the enterprise is considered to be the business in which it operates viz – software solutions. Being a single business segment Company, no primary segment as per Accounting Standard -17 Segmental Reporting information is being provided. The secondary segment information in relation to the geographies is as follows:

Particulars	Revenue from Customers by location of customers		Carrying amount of segment assets by location of the assets		Addition to fixed assets	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
India	818,487,374	875,906,755	792,789,588	1,066,420,109	17,569,856	11,404,892
America	83,095,703	87,483,179	9,386,288	5,916,742	Nil	Nil
Europe	228,216	5,647,884	Nil	398,488	Nil	Nil
Asia Pacific	3,177,188	2,337,134	984,609	2,048,880	Nil	Nil
Middle East	Nil	12,308,050	Nil	Nil	Nil	Nil
Total	904,988,481	983,683,002	803,160,485	1,074,784,219	17,569,856	11,404,892

(viii). All operating leases entered into by Company are cancelable on giving notice of 1 to 3 months. Aggregate expenditure in respect of operating lease amounts to Rs.19,982,063/-(Previous year Rs.11,341,346).



ESRI India Technologies Limited

(ix). **Investments:**

During the Year the Company acquired and sold units of mutual funds on various dates as per detail below:

Scheme	As on 1 st April 2015		No. of Units Purchased	Purchase Value (Rs.)	No. of units Sold	Sale Value (Rs.)	As on 31st March 2016		
	No. of units Purchased	Purchase Value (Rs.)					No. of units in hand at the year end	Value of units in hand at the year end at cost (Rs.)	Market Value of units in hand (Rs.)
Liquid Scheme									
Rel. Liquid Fund-Treasury Plan	9,565,738	30,000,000			9,565,738	32,801,989			
Templeton Low Duration Fund-Growth	1,390,424,149	20,000,000			1,390,424,149	21,515,145			
Templeton Low Duration Fund-Growth	694,275,697	10,000,000			694,275,697	10,743,083			
Templeton Low Duration Fund-Growth	692,261,897	10,000,000			692,261,897	10,711,922			
Rel. Liquid Fund-Treasury Plan	6,705,568	21,672,666			6,705,568	22,994,145			
HDFC Liquid Fund	380,274,406	10,000,000			380,274,406	10,559,156			
HDFC Liquid Fund	379,473,518	10,000,000			379,473,518	10,536,917			
HDFC Liquid Fund	379,473,518	10,000,000			379,473,518	10,536,917			
Rel. Liquid Fund-Treasury Plan	3,069,485	10,000,000			3,069,485	10,525,608			
Templeton Low Duration Fund-Growth	684,659,519	10,000,000			684,659,519	10,594,284			
Templeton Low Duration Fund-Growth	1,338,849,393	20,000,000			1,338,849,393	20,717,088			
Templeton Low Duration Fund-Growth	1,325,389,830	20,000,000			1,325,389,830	20,885,824			
Templeton Low Duration Fund-Growth	660,488,894	10,000,000			660,488,894	10,422,317			
HDFC Liquid Fund	367,598,406	10,000,000			367,598,406	10,207,178			
HDFC Liquid Fund	367,598,406	10,000,000			367,598,406	10,207,178			
Rel. Liquid Fund-Treasury Plan	2,976,900	10,000,000			2,976,900	10,208,124			
Rel. Liquid Fund-Treasury Plan	2,976,900	10,000,000			2,976,900	10,208,124			
Rel. Liquid Fund-Treasury Plan	5,944,333	20,000,000			5,944,333	20,383,785			
HDFC Liquid Fund	1,101,038,646	30,000,000			1,101,038,646	30,572,760			
Templeton Low Duration Fund-Growth	1,319,879,363	20,000,000			1,319,879,363	20,827,300			
Rel. Liquid Fund-Treasury Plan	2,960,002	10,000,000			2,960,002	10,150,179			
HDFC Liquid Fund	365,506,427	10,000,000			365,506,427	10,149,090			
Rel. Liquid Fund-Treasury Plan			14,631,296	50,000,000			14,631,296	50,888,213	
HDFC Liquid Fund			1,806,887,131	50,000,000			1,806,887,131	50,710,330	
Templeton Low Duration Fund-Growth			627,655,768	10,000,000			627,655,768	10,445,133	
HDFC Liquid Fund			351,406,152	10,000,000			351,406,152	10,103,567	
Rel. Liquid Fund-Treasury Plan			2,845,780	10,000,000			2,845,780	10,100,800	
Rel. Liquid Fund-Treasury Plan			2,813,273	10,000,000			2,813,273	10,000,000	10,368,309
HDFC Liquid Fund			3,462,362	10,000,000			3,462,362	10,000,000	10,333,580
Rel. Liquid Fund-Treasury Plan			2,791,502	10,000,000			2,791,502	10,000,000	10,288,073
HDFC Liquid Fund			3,446,858	10,000,000			3,446,858	10,000,000	10,287,307
Rel. Liquid Fund-Treasury Plan			11,008,962	40,000,000			11,008,962	40,000,000	40,573,498
HDFC Liquid Fund			10,194,434	30,000,000			10,194,434	30,000,000	30,425,760
TOTAL	11,481,390,995	321,672,666	2,837,143,518	240,000,000	14,284,871,222	468,708,159	33,717,391	110,000,000	112,276,527
Previous Year	7,965,079,610	150,000,000	14,063,095,546	391,672,666	10,546,784,158	235,203,663	11,482,155,597	321,672,666	333,109,031



ESRI India Technologies Limited

(x). TAXATION

CURRENT TAX

The Company avails deduction under the provisions of section 80 IC of the Income Tax Act, available to certain undertakings or enterprises setup in certain special category States. The Minimum Alternate Tax under section 115 JB, part of which is expected to be recovered in future years amount aggregating to Rs.995 Lacs (including Rs 325 Lacs for the Financial Year 2013-14, Rs 6 Lacs for the Financial Year 2012-13 Rs.405 lacs for Financial Year 2011-12, Rs.105 lacs for Financial Year 2010-11, Rs.114lacs for Financial Year 2009-10) has been recognized as MAT credit entitlement in these accounts.

- (xi). Previous year figures have been regrouped / recast wherever necessary to conform to current year's Classification.



ESRI India Technologies Limited

Balance Sheet as at 31st March 2016

	PARTICULARS	Notes	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share Capital	3	10,000,700	10,000,700
	Reserves and Surplus	4	513,304,216	475,511,088
2	Non-current liabilities			
	Long-term provisions	7	18,965,736	14,513,482
3	Current liabilities			
	Trade Payables	5	125,275,907	199,391,597
	Other current liabilities	6	72,851,256	68,748,999
	Short-term provisions	7	62,762,670	306,618,353
	TOTAL		803,160,485	1,074,784,219
II	ASSETS			
1	Non-current assets			
	Fixed Assets	8		
	Tangible assets		23,803,774	28,311,690
	Intangible assets		154,268	5,721,348
	Deferred tax assets (net)	10	31,510,456	6,707,158
	Long-term loans and advances	11	220,470,145	207,111,203
	Other non-current assets	14	3,595,419	9,947,447
2	Current assets			
	Current investments	9	110,000,000	321,672,666
	Inventories	15	2,547,216	2,775,616
	Cash and bank balances	16	15,476,602	110,024,112
	Short-term loans and advances	11	21,390,441	26,690,456
	Trade receivables	12	370,518,250	334,272,421
	Other current assets	14	3,693,914	21,550,102
	TOTAL		803,160,485	1,074,784,219

The accompanying notes 1 to 25 referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board

Ashish Ghosh
Ashish Ghosh
Partner
Membership No. 81732
For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants



Rajendra Pawar
Rajendra Pawar
Director
DIN - 00042516

Arvind Thakur
Arvind Thakur
Director
DIN - 00042534

Place: New Delhi
Date: 21st April 2016

ESRI India Technologies Limited

Statement of Profit & Loss for the year ended 31st March 2016

PARTICULARS	Notes	Year ended	Year ended
		31st March 2016	31st March 2015
		Rs.	Rs.
INCOME			
I. Revenue from Operations	19	904,988,481	983,683,002
II. Other Income	20	20,962,918	16,234,379
III. Total Revenue (I + II)		925,951,399	999,917,381
IV. EXPENDITURE			
(Increase) / Decrease in Inventory	15	228,400	1,611,779
Production, Development and Bought Out Packages	21	291,859,863	315,705,430
Employee Benefits Expense	22	273,763,493	248,760,711
Other Expenses	24	206,981,720	143,357,100
Depreciation and Amortization Expenses	8	26,533,270	16,524,302
Total Expenses		799,366,746	725,959,322
V. Profit before tax (III- IV)		126,584,653	273,958,059
VI. Tax expense:			
(1) Current tax		41,742,118	56,197,465
(2) Deferred tax		(24,803,298)	(1,157,033)
(3) MAT Credit Entitlement		15,280,649	14,098,522
VII. Profit (Loss) for the year		94,365,184	204,819,105
VIII. Earnings per equity share (Face Value Rs.10 each):			
(1) Basic		94.36	204.80
(2) Diluted		94.36	204.80

The accompanying notes I to 25 referred to above form an integral part of the Profit and Loss Account

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

For and on behalf of the Board

Ashish Ghosh
 Ashish Ghosh
 Partner
 Membership No. 81732
 For and on behalf of
 Ghosh Khanna & Co
 Firm Registration No. 003366N
 Chartered Accountants



Rajendra S Pawar
 Rajendra S Pawar
 Director
 DIN - 00042516

Arvind Thakur
 Arvind Thakur
 Director
 DIN - 00042534

Place: New Delhi
 Date: 21st April 2016

ESRI India Technologies Limited
Cash Flow Statement for the year ended 31st March 2016

	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax and share of Associates' profits but after exceptional items	126,584,653	273,958,059
Adjustments for:		
Depreciation and Amortisation	26,533,270	16,524,302
Interest Income	(782,574)	(512,244)
(Profit/ Loss on Fixed Assets sold	276,653	484,511
(Profit/ Loss from Investments	(17,033,494)	(15,203,663)
Provision for Doubtful Debts	59,786,393	4,981,200
Provision for Doubtful Advances	-	17,399,019
Provision for Gratuity & Compensated Absences	4,979,699	5,327,366
Foreign Exchange Adjustments	843,375	(1,135,201)
Employees Stock Option Expenses	-	-
Operating profit before working capital changes	201,107,975	301,823,349
Add / (Less): (Increase)/ Decrease in operating working capital:		
Trade Receivables	(97,055,200)	29,628,340
Loans and Advances & Other Current Assets	22,894,831	(8,940,890)
Inventories	228,400	1,611,779
Current Liabilities and Provisions	(69,833,829)	89,993,268
Cash generated from operations	57,342,177	414,115,846
Taxes paid (including TDS)	(70,154,330)	(70,652,031)
Net cash from Operating activities (A)	(12,812,153)	343,463,815
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including Capital Work-in-progress)	(17,569,856)	(11,404,892)
Proceeds from sale of Fixed Assets	874,929	699,881
Proceeds from sale of Mutual Funds	468,706,159	235,203,663
Purchases of Mutual Funds	(240,000,000)	(391,672,666)
Interest Received	782,574	512,244
Net cash used for Investing activities (B)	212,793,806	(166,661,770)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Working Capital / Short Term Borrowings (Net)	-	-
Proceeds / (Payments) relating to Cash Credits (Net)	-	-
Term Loan raised/ (repaid) during the year	-	-
Working Capital Loan in Foreign Currency	-	-
Interest Paid (including financing charges on finance lease arrangements)	-	-
Dividend Paid	(250,017,500)	(100,007,000)
Dividend Tax Paid	(50,897,684)	(16,996,190)
Government Grants received during the year	-	-
Net cash from / (used in) Financing activities (C)	(300,915,184)	(117,003,190)
Net Increase/(Decrease) in Cash & Cash equivalents (A) + (B) + (C)	(100,933,531)	59,798,855
Adjustment on account of Foreign Exchange Fluctuations	-	-
Cash and Cash equivalents as at the beginning of the year (Note 1)	119,550,537	59,751,682
Cash and cash equivalents as at the end of the year (Note 1)	18,617,006	119,550,537

Notes:

	31st March 2016 Rs.	31st March 2015 Rs.
1 Cash and cash equivalents as on		
Cash, Cheques & Drafts (in hand) and Remittances in transit	589,390	28,324,072
Balances with banks *	18,027,616	91,226,465
	18,617,006	119,550,537

- 2 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, 2013
 - 3 The schedules from 1 - 25 form an integral part of the Cash Flow Statement.
 - 4 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

Ashish Ghosh
Ashish Ghosh
Partner
Membership No. 81732
For and on behalf of
Ghosh Khanna & Co
Firm Registration No. 003366N
Chartered Accountants



Rajendra S Pawar
For and on behalf of the Board
Rajendra S Pawar
Director
DIN - 00042516

Arvind Thakur
Arvind Thakur
Director
DIN - 00042534

Place: New Delhi
Date: 21st April 2016

ESRI India Technologies Limited

3	SHARE CAPITAL	As at	As at
		31st March 2016	31st March 2015
		Rs.	Rs.
	Authorised 2,000,000 Equity Shares of Rs. 10/- each (Previous year 2,000,000 Equity Shares of Rs. 10/- each)	20,000,000	20,000,000
		20,000,000	20,000,000
	Issued 1,000,070 Equity Shares of Rs. 10/- each (Previous year - 1,000,070 Equity Shares of Rs. 10/- each)	10,000,700	10,000,700
		10,000,700	10,000,700
	Subscribed and fully paid 1,000,070 Equity Shares of Rs. 10/- each (Previous year - 1,000,070 Equity Shares of Rs. 10/- each)	10,000,700	10,000,700
		10,000,700	10,000,700

3.1	Reconciliation of the number of shares outstanding	31st March 2016		31st March 2015	
		No. of shares	Value Rs.	No. of shares	Value Rs.
	Equity Shares				
	Shares outstanding at the beginning of the year	1,000,070	10,000,700	1,000,070	10,000,700
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	1,000,070	10,000,700	1,000,070	10,000,700

3.2 Note on rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the

Rights, preferences and restrictions attached to shares:-

Equity Shares: The company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3.3	Shares in respect of each class in the company held by	Name of the company	Class of shares Equity/ Preference	As at	As at
				31st March 2016	31st March 2015
				No. of shares	No. of shares
	Holding company	NIIT Technologies Limited	Equity	890,000	890,000
	Ultimate holding company				
	Subsidiaries of holding company:				
	Subsidiaries of ultimate holding company:				
	Associates of holding company				
	Associates of ultimate holding company				

3.4	Shares held by each shareholder holding more than 5% shares	31st March 2016		31st March 2015	
		% of holding	No. of shares	% of holding	No. of shares
	Equity Shares				
	Environmental Systems Research Institute Inc. USA	10%	100,000	10%	100,000
	Total	10%	100,000	10%	100,000



ESRI India Technologies Limited

4	RESERVES AND SURPLUS	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	General Reserve (Note 1 below)		
	As per Last Balance Sheet	204,047,103	183,565,192
	Less: General Reserve of Associates		-
	Add : Transferred from Profit and Loss Account	9,436,518	20,481,911
		213,483,621	204,047,103
	Profit & Loss Account		
	Balance Brought Forward from Previous year	271,463,985	388,798,223
	Less: Assets Revaluation	-	(756,248)
	Add : Current Year Profit / (Loss) attributable to Share Holders	94,365,184	204,819,105
	Less:-		
	Proposed Dividend on Equity Shares	47,003,290	250,017,500
	Corporate Dividend Tax - Previous Year	-	-
	Corporate Dividend Tax	9,568,766	50,897,684
	Transferred to General Reserve	9,436,518	20,481,911
	Transferred to/ (from) Debenture Redemption Reserve	-	-
	Share in Corporate Dividend Tax of Associates	-	-
		299,820,595	-
		<u>513,304,216</u>	<u>475,511,088</u>

Notes :

- 1 General Reserve above represents General Reserve as per the Indian Companies Act, 2013 in respect of Indian Companies.



ESRI India Technologies Limited

5	Trade Payables	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	- Due to Micro Enterprises and Small Enterprises	-	-	125,275,907	199,391,597
	- Due to Others	-	-	125,275,907	199,391,597

6	OTHER LIABILITIES	Long Term Liabilities		Current Liabilities	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Current Maturities of Long Term Borrowings	-	-	-	-
	Interest accrued but not due on borrowings	-	-	-	-
	Interest accrued and due on borrowings	-	-	-	-
	Unpaid dividends	-	-	-	-
	Unclaimed fractional share payment	-	-	-	-
	Security Deposits Payable	-	-	-	-
	Deferred Revenue	-	-	3,041,293	3,512,963
	Advances from Customers	-	-	1,421,042	2,353,816
	Other Payables	-	-	68,388,921	62,882,220
		-	-	72,851,256	68,748,999

7	Provisions	LONG-TERM		SHORT-TERM	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Provision for employee benefits :				
	Provision for Gratuity	4,646,667	1,172,373	-	-
	Provision for Compensated Absences	14,319,069	13,341,109	6,190,614	5,703,169
	Others :				
	Proposed dividend	-	-	47,003,290	250,017,500
	Provision for Corporate Dividend Tax	-	-	9,568,766	50,897,684
		18,965,736	14,513,482	62,762,670	306,618,353



ESRI India Technologies Limited

8 Fixed Assets

Description of Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION			NET BLOCK			
	Cost As on 01.04.2015	Additions during the year	Sales / Adj. during the year	Total as on 31.03.2016	As on 01.04.2015	For the year	Trf to Retained Earning	Sales / Adj. during the year	Total as on 31.03.2016	As on 31.03.2016	As on 31.03.2015
(i) Tangible											
Plant & Equipment											
- Plant & Machinery	35,320,679	9,770,267	-	45,090,946	30,358,554	3,452,046	-	-	33,810,600	11,280,346	4,962,125
- Others	21,744,106	209,095	2,182,800	19,776,401	6,730,736	10,332,399	-	2,182,750	14,880,385	4,890,016	15,013,570
Furniture & Fixtures											
- Owned	9,189,671	133,372	-	9,323,043	5,970,080	417,304	-	-	6,387,384	2,935,659	3,219,591
Vehicles	8,250,557	1,549,876	2,201,653	7,598,780	3,133,953	857,195	-	1,090,121	2,901,027	4,697,753	5,116,604
Sub Total (a)	74,505,014	11,662,610	4,384,453	81,783,170	46,193,324	15,058,944	-	3,272,871	57,979,396	23,803,774	28,311,690
(ii) Intangible											
Computer Software	30,228,236	5,907,346	-	36,135,483	24,506,888	11,474,326	-	-	35,981,215	154,268	5,721,348
Sub Total (b)	30,228,236	5,907,346	-	36,135,483	24,506,888	11,474,326	-	-	35,981,215	154,268	5,721,348
Total (a+b)	104,733,250	17,569,956	4,384,453	117,918,653	70,700,212	26,533,270	-	3,272,871	93,960,611	23,958,042	34,033,038
Previous Year	96,087,055	11,404,892	2,758,697	104,733,250	54,993,967	16,524,302	756,248	1,574,305	70,700,212	34,033,038	41,093,088



ESRI India Technologies Limited

9 INVESTMENTS	Current			
	As at		As at	
	31st March 2016		31st March 2015	
	Rs.		Rs.	
SHORT TERM, NON TRADE [UNQUOTED] In Mutual Funds		110,000,000		321,672,666
		110,000,000		321,672,666



ESRI India Technologies Limited

10 Deferred Tax Asset (net)

Rs.

Deferred Tax Assets/Liabilities	Opening As on 01.04.2015	Charged/ (Credited) to Profit & Loss	Closing As on 31.03.2016
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.	-	-	-
Total (A)	-	-	-
Deferred Tax Assets:			
a) Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax:	-3,074,370	4,708,807	1,634,437
-Provision for doubtful debts and advances	1,693,110	18,997,765	20,690,875
-Provision for Inventory			
-Provision for Compensated Absences, Bonus, Gratuity and other timing differences	6,871,640	1,834,470	8,706,110
-Deferred Income on sale and lease back transaction			
-Others	1,216,778	-737,744	479,034
Total (B)	6,707,158	24,803,298	31,510,456
Net Deferred Tax (Liabilities) / Assets (A+B)	6,707,158	24,803,298	31,510,456



ESRI India Technologies Limited

11	LOANS AND ADVANCES	Long Term		Short Term	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	i) Security Deposits Receivable				
	Unsecured, considered good	2,621,028	2,393,649	-	-
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful security deposits	-	-	-	-
	(A)	2,621,028	2,393,649	-	-
	ii) Advances recoverable in cash or in kind				
	Unsecured, considered good	-	-	21,390,441	26,690,456
	Unsecured, considered doubtful	-	-	-	-
	Less: Provision for doubtful advances	-	-	-	-
	(B)	-	-	21,390,441	26,690,456
	iii) Other Advances				
	a) Advance payment of Fringe Benefit Tax	1,878,589	1,878,589	-	-
	Less: Provision for Fringe Benefit Tax	(1,878,589)	(1,878,589)	-	-
		-	-	-	-
	b) Advance Tax	476,636,681	406,482,351	-	-
	Less: Provision for Tax	(354,312,237)	(312,570,119)	-	-
		122,324,444	93,912,232	-	-
	c) MAT Credit entitlement				
	- Opening Balance	110,805,322	124,903,844	-	-
	- Reversal of MAT credit	15,280,649	14,098,522	-	-
	- Created during the Year	-	-	-	-
		95,524,673	110,805,322	-	-
	(C)	217,849,117	204,717,554	-	-
	Total (A+B+C)	220,470,145	207,111,203	21,390,441	26,690,456



ESRI India Technologies Limited

12 Trade Receivables	Current	
	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	37,637,039	65,915,647
Unsecured, considered doubtful	64,767,593	4,981,200
Less: Provision for doubtful debts	(64,767,593)	(4,981,200)
	37,637,039	65,915,647
b) Other Trade Receivables		
Unsecured, considered good	332,881,211	268,356,774
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	332,881,211	268,356,774
	370,518,250	334,272,421

13 Provision for Doubtful Debts	Current	
	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
Opening Provision	4,981,200	10,839,542
Add: Additional Provision Created	59,786,393	4,981,200
Add: Balances transferred from an associate company		
Less: Provision written back		15,431
Less: Provision utilised		10,824,111
Closing Provision	64,767,593	4,981,200



ESRI India Technologies Limited

14	OTHER ASSETS	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Non Current Bank Balances (Refer Note 16)	3,140,404	9,526,425	-	-
	Unbilled revenue	-	-	3,693,914	21,550,102
	Interest Receivable	455,015	421,022	-	-
		3,595,419	9,947,447	3,693,914	21,550,102



ESRI India Technologies Limited

		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
15	Inventories		
	As at the end of the year		
	Raw Material	744,508	683,197
	Traded Goods	1,451,920	1,729,544
	Finished Goods	350,788	362,875
		<u>2,547,216</u>	<u>2,775,616</u>
	As at the beginning of the year		
	Raw Material	683,197	571,330
	Traded Goods	1,729,544	3,577,419
	Finished Goods	362,875	238,646
		<u>2,775,616</u>	<u>4,387,395</u>
	(Increase) / Decrease in Inventory	<u>228,400</u>	<u>1,611,779</u>

16	Cash and Bank Balances	Non Current		Current	
		As at 31st March 2016 Rs.	As at 31st March 2015 Rs.	As at 31st March 2016 Rs.	As at 31st March 2015 Rs.
	Cash and cash equivalents:				
	Balance with banks				
	Current Accounts			14,887,212	81,700,040
	Bank deposits with original maturity of 3 months or less			-	-
	Cash on hand			6,890	3,992
	Cheques, drafts on hand			582,500	28,320,080
				<u>15,476,602</u>	<u>110,024,112</u>
	Other bank balances:				
	Bank deposits				
	With original maturity of more than 3 months and upto 12 months				
	With original maturity of more than 12 months	3,140,404	9,526,425		
	[Includes Rs. 3,140,404 (Previous year Rs. 9,526,425) pledged as margin money]				
	Dividend Accounts				
		<u>3,140,404</u>	<u>9,526,425</u>		
		<u>3,140,404</u>	<u>9,526,425</u>	<u>15,476,602</u>	<u>110,024,112</u>
	Amount disclosed under non-current assets (Note 14)	(3,140,404)	(9,526,425)		
				<u>15,476,602</u>	<u>110,024,112</u>

17 Contingent Liabilities

(a) Bank Guarantees at the period end Rs 55,149,022 (Previous year Rs 47,506,185)

(b) The income Tax Department has raised a demand of Rs. 40,375,327 for the Assessment year 2006-07, primarily on account of disallowance u/s 80IC of the income Tax Act, 1961. The company has preferred an appeal to the Commissioner of Income Tax (Appeals) and demands set aside by CIT (A). matter was in departmental appeal at ITAT & Favorable order received from ITAT.

(c) The income Tax Department has raised a demand of Rs. 54,372,720 for the Assessment year 2007-08, primarily on account of disallowance u/s 80IC of the income Tax Act, 1961. The company has preferred an appeal to the Commissioner of Income Tax (Appeals) and demands set aside by CIT (A). matter was in departmental appeal at ITAT & Favorable order received from ITAT.

(d) The income Tax Department has raised a demand of Rs. 58,374,769 for the Assessment year 2008-09, primarily on account of disallowance of 80IC of the income Tax Act, 1961. The company has preferred an appeal to the Commissioner of Income Tax (Appeals) and demands set aside by CIT (A). matter now in departmental appeal at ITAT.

(e) The income Tax Department has raised a demand of Rs. 2,600,307 for the Assessment year 2009-10, primarily on account of disallowance u/s 80IC of the income Tax Act, 1961. Although demand is wrongly calculated. The company has filed an appeal to the Commissioner of Income Tax (Appeals) & received the Favorable order.

(f) The income Tax Department has raised a demand of Rs. 33,785,447 for the Assessment year 2010-11, primarily on account of disallowance of claim u/s 80IC of the income Tax Act, 1961. The company has filed an appeal to the Commissioner of Income Tax (Appeals).

(g) The income Tax Department has raised a demand of Rs. 13,911,780 for the Assessment year 2011-12, primarily on account of disallowance of claim u/s 80IC of the income Tax Act, 1961. The company has filed an appeal to the Commissioner of Income Tax (Appeals).

(h) The income Tax Department has raised a demand of Rs. 3,398,500 for the Assessment year 2012-13, primarily on account of disallowance of claim u/s 80IC of the income Tax Act, 1961. The company will be filed an appeal to the Commissioner of Income Tax (Appeals).

(i) The Central Excise, Chandigarh raised a demand of Rs 120,582,449 and equivalent amount of Rs 120,582,449 as Penalty. However GIS has been granted unconditional stay from CESTAT, New Delhi. The order of stay has been extended by the order of Tribunal dated 3rd August 2012 till further order since the appeal could not be heard by Tribunal in stipulated 180 days.

(j) The Central Excise & Service Tax Chandigarh raised a demand of Rs 42,349,703. However GIS has received the favorable order from the Commissioner Central Excise & Service Tax Chandigarh. Now department has filled a case against that order.

18 Proposed Dividend

Dividend proposed of Rs. 47,003,290



ESRI India Technologies Limited

19	Revenue from Operations	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Sale of Products : Computer Software & Hardware	710,463,545	740,565,497
	Sale of Services	194,524,936	243,117,505
		<u>904,988,481</u>	<u>983,683,002</u>

20	Other Income	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Interest Income	782,574	512,244
	Profit on sale of Current Investments (Net)	17,033,494	15,203,663
	Gain on foreign currency translation and transaction (net)	-	19,707
	Other non-operating income (net of expenses)	3,146,850	498,765
		<u>20,962,918</u>	<u>16,234,379</u>

21	Production, Development and Bought Out Packages	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Internal Production Offset	(296,885)	(768,496)
	Cost of Goods Sold - Software	28,917,676	31,411,226
	Cost of Goods Sold - Services	29,078,630	45,783,202
	Production Consumable	146,164	257,622
	Professional Services Expenses for Production	7,749,459	13,285,869
	Hiring Expenses for Production	2,215,253	2,254,168
	Royalties	223,304,112	224,309,098
	Computer Room Consumables	77,818	165,170
	Dispatch/Shipping Costs	884,052	568,650
	Packing Material Costs	11,984	50,700
	Increase / (Decrease) in Inventory	(228,400)	(1,611,779)
		<u>291,859,863</u>	<u>315,705,430</u>



ESRI India Technologies Limited

22	Employee Benefits Expenses	Year ended	Year ended
		31st March 2016	31st March 2015
		Rs.	Rs.
	Salaries and Benefits	257,361,140	233,788,551
	Contribution to Provident and Other Funds	11,979,596	11,249,615
	Welfare and Other expenses	4,422,757	3,722,545
		<u>273,763,493</u>	<u>248,760,711</u>

23 Disclosure of AS 15

Disclosures as per actuarial report of independent actuary:

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

Description	Year ended 31st March 2016 (Rs. In '000)	Year ended 31st March 2015 (Rs. In '000)
Present value of obligation as at the beginning of the year	10,964.02	7,050.97
Interest Cost	828.69	622.78
Current Service Cost	2,420.06	1,543.48
Benefit paid	(2,662.79)	(686.77)
Actuarial (gain) / loss on obligations	948.50	2,433.56
Present value of obligation as at the end of the year	12,498.48	10,964.02

Change in Plan Assets:

Description	Year ended 31st March 2016 (Rs. In '000)	Year ended 31st March 2015 (Rs. In '000)
Plan assets at the beginning at fair value	9,791.65	7,186.52
Expected return on plan assets	743.01	712.26
Contributions	62.43	2,594.18
Benefit paid	(2,662.79)	(686.77)
Actuarial gain / (loss) on plan assets	(82.49)	(14.54)
Present value of obligation as at the end of the year	7,851.81	9,791.65

Amount of the obligation recognized in the Balance Sheet:

Description	Year ended 31st March 2016 (Rs. In '000)	Year ended 31st March 2015 (Rs. In '000)
Present value of the defined benefit obligation at the end of the year	12,498.48	10,964.02
Fair value of plan assets at the end of the year	7,851.81	9,791.65
Net Asset/(Liability) recognized in the Balance Sheet	-4,646.67	-1,172.37

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

Description	Year ended 31st March 2016 (Rs. In '000)	Year ended 31st March 2015 (Rs. In '000)
Current service cost	2,420.06	1,543.48
Interest Cost	828.69	622.78
Expected return on plan assets	(743.01)	(712.26)
Actuarial (gain) / loss recognized during the year	1,030.98	2,448.10
Total	3,536.72	3,902.10

Investment details of plan assets:

The plan assets are maintained with Life Insurance Corporation Gratuity 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	2015-16	2014-15
Discounting Rate	7.80%	7.75%
Expected Rate of return on plan assets	8.75%	8.75%

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



ESRI India Technologies Limited

24	Other Expenses	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Freight and Cartage	884,052	568,650
	Rent (Net of recoveries)	20,117,063	17,694,132
	Rates and Taxes	54,434	336,013
	Power & Fuel	6,551,825	7,032,816
	Communication	4,011,450	3,581,410
	Legal and Professional	30,625,018	24,392,612
	Traveling and Conveyance	27,505,400	37,002,231
	Equipment Hiring - Non Production	22,168	1,083
	Provision for Doubtful Debts	59,786,393	4,981,200
	Bad Debts	-	17,399,019
	Write off of Unbilled Revenue	14,896,972	-
	Insurance	1,415,754	1,906,338
	Repairs and Maintenance		
	- Plant and Machinery	1,144,620	905,716
	- Buildings	68,152	129,792
	- Others	4,529,706	5,259,930
	Loss on Sale of Fixed Assets (Net)	236,653	484,511
	Loss on foreign currency translation and transaction (Net)	9,112,516	-
	Security and Administration Services	3,313,148	3,361,904
	Bank Charges	1,241,600	1,090,574
	Advertisement and Publicity	2,053,542	1,048,177
	Other Marketing Expenses	12,112,463	10,009,609
	Sundry Expenses	7,298,791	6,171,383
		<u>206,981,720</u>	<u>143,357,100</u>

25	Payment to Auditors	Year ended 31st March 2016 Rs.	Year ended 31st March 2015 Rs.
	Audit fee	743,700	740,000
	Tax Audit fees	100,000	100,000
		<u>843,700</u>	<u>840,000</u>

Ashish Ghosh
 Ashish Ghosh
 Partner
 Membership No. 81732
 For and on behalf of
 Ghosh Khanna & Co
 Firm Registration No. 003366X
 Chartered Accountants



For and on behalf of the Board

Rajendra Pawar
 Rajendra S Pawar
 Director
 DIN - 00042516

Arvind Thakur
 Arvind Thakur
 Director
 DIN - 00042534

Place: New Delhi
 Date: 21st April 2016