

**AUDITOR'S REPORT**

about the audit of the

**ANNUAL FINANCIAL REPORT 2015/16**

**NIIT Technologies AG**

**6005 Lucerne**

**Report of the statutory auditors  
on the limited statutory examination of the**

**NIIT Technologies AG, Tribtschenstrasse 9, 6005 Lucerne**

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of NIIT Technologies AG for the year 2015/16 ended on March 31<sup>st</sup> 2016.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.


We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

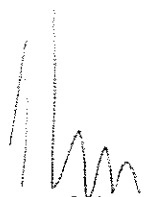
We note that, according to the books, the company is heavily in debt. Therefore the administrative board's attention is drawn to the provisions of article 725 paragraph 2 of the Swiss Code of Obligations (OR). To date, all liabilities to third parties could be settled. Liquidity shortages were financed by loans granted by the parent company. A restructuring of the company is not sought. The business was set March 31, 2016th. The Company will be liquidated properly.

Hergiswil NW, 14<sup>th</sup> April 2016

**Alpina Treuhand AG**



Stephan Busch  
Audit expert  
Chief auditor



Thomas Scherer  
Audit expert

Enclosure:

- Annual Accounts (Balance Sheet, Profit and Loss Account, Appendix)

NITT Technologies AG

BALANCE SHEET PER 31st March 2016

	31.03.2016		31.03.2015		31.03.2014	
	CHF	INR	CHF	INR	CHF	INR
<u>ASSETS</u>						
<u>LIQUID ASSETS</u>						
Liquid funds	151,587.52	10,471,969	134,733.71	8,643,828	487,022.00	33,075,222
<u>Total liquid funds</u>	151,587.52	10,471,969	134,733.71	8,643,828	487,022.00	33,075,222
Accounts receivable trade						
Other accounts receivable	89,534.20	6,185,202	109,714.70	7,038,736	136,476.72	9,268,571
<u>Total accounts receivable</u>	89,534.20	6,185,202	109,714.70	7,038,736	136,476.72	9,268,571
Stock						
<u>Total stock</u>						
Commenced work PoC						
<u>Total commenced work</u>						
RAP	52,082.23	3,597,945	102,689.63	6,588,043	92,426.68	6,276,992
<u>Total RAP</u>	52,082.23	3,597,945	102,689.63	6,588,043	92,426.68	6,276,992
<u>TOTAL LIQUID ASSETS</u>	293,203.95	20,255,115	363,361.38	23,311,413	724,023.97	49,170,785
<u>FIXED ASSETS</u>						
Intangible assets						
<u>Total intangible assets</u>						
Tangible assets	1,172.56	81,003	780.57	50,077		
<u>Total tangible assets</u>	1,172.56	81,003	780.57	50,077		
Financial assets						
Loans to affiliated companies						
<u>Total financial assets</u>						
<u>TOTAL FIXED ASSETS</u>	1,172.56	81,003	780.57	50,077		
<u>TOTAL ASSETS</u>	294,376.51	20,336,118	364,141.95	23,361,490	724,023.97	49,170,785

<u>LIABILITIES</u>								
<u>OUTSIDE CAPITAL</u>								
Trade accounts payable	3,078.00	212,634	14,485.14	929,293	2,299.15	156,143		
Customers' deposits								
companies	69,433.84	4,796,629	88,078.61	5,650,674	282,363.84	19,176,232		
Loans to affiliated companies	436,400.00	30,147,385	156,570.00	10,044,733				
Other liabilities	72,329.35	4,996,656	111,076.95	7,126,131	119,403.45	8,109,070		
<u>Total liabilities</u>	<u>581,241.19</u>	<u>40,153,304</u>	<u>370,210.70</u>	<u>23,750,830</u>	<u>404,066.44</u>	<u>27,441,445</u>		
Tax accrual	462.50	31,950	-	-	(866.48)	(58,845)		
Reserves	35,639.49	2,462,047	191,234.03	12,268,600	222,660.39	15,121,580		
<u>Total Reserves</u>	<u>36,101.99</u>	<u>2,493,998</u>	<u>191,234.03</u>	<u>12,268,600</u>	<u>221,793.91</u>	<u>15,062,734</u>		
RAP			72,875.84	4,675,342	72,875.87	4,949,234		
<u>Total RAP</u>			<u>72,875.84</u>	<u>4,675,342</u>	<u>72,875.87</u>	<u>4,949,234</u>		
<u>TOTAL OUTSIDE CAPITAL</u>	<u>617,343.18</u>	<u>42,647,302</u>	<u>634,320.57</u>	<u>40,694,773</u>	<u>698,736.22</u>	<u>47,453,413</u>		
<u>EQUITY CAPITAL</u>								
Stock capital	250,000.00	17,270,500	250,000.00	16,038,725	250,000.00	16,978,300		
Legal reserves	33,000.00	2,279,706	33,000.00	2,117,112	33,000.00	2,241,136		
Loss carried forward	(553,178.62)	(41,861,389)	(553,178.62)	(35,489,119)	(257,712.25)	(17,502,064)		
Annual result	(52,788.05)							
Net loss	(605,966.67)							
<u>TOTAL EQUITY CAPITAL</u>	<u>(32,966.67)</u>	<u>(22,311,183)</u>	<u>(270,178.62)</u>	<u>(17,333,282)</u>	<u>25,287.75</u>	<u>1,717,372</u>		
<u>TOTAL LIABILITIES</u>	<u>294,376.51</u>	<u>20,336,118</u>	<u>364,141.95</u>	<u>23,361,490</u>	<u>724,023.97</u>	<u>49,170,785</u>		

NIIT Technologies AG

PROFIT AND LOSS ACCOUNT from 01/04/2015 to 31/03/2016

<u>OPERATING RESULTS</u>	2015/16		2014/15	
	CHF	INR	CHF	INR
Trade earnings	789,656.65	52,775,913	690,773.70	45,611,787
<u>Total trade earnings</u>	789,656.65	52,775,913	690,773.70	45,611,787
Other business earnings	74,110.71	4,953,115	256,489.83	16,936,023
<u>Total other business earnings</u>	74,110.71	4,953,115	256,489.83	16,936,023
Purchased services	(92,655.51)	(6,192,538)	(77,623.17)	(5,125,458)
<u>Total purchased services</u>	(92,655.51)	(6,192,538)	(77,623.17)	(5,125,458)
Wages and salaries	(644,234.68)	(43,056,781)	(895,523.52)	(59,131,418)
Insurances for personnel	(14,039.86)	(938,340)	(76,592.26)	(5,057,387)
<u>Total personnel expenditures</u>	(658,274.54)	(43,995,121)	(972,115.78)	(64,188,805)
Depreciation	(825.20)	(55,151)	(173.36)	(11,447)
<u>Total depreciation</u>	(825.20)	(55,151)	(173.36)	(11,447)
Other business expenses	(154,607.39)	(10,333,030)	(190,867.88)	(12,603,006)
<u>Total other business expenses</u>	(154,607.39)	(10,333,030)	(190,867.88)	(12,603,006)
Earned interest	1.82	122	642.07	42,396
Paid interest	(9,269.54)	(619,520)	(1,223.18)	(80,767)
<u>Total financial result</u>	(9,267.72)	(619,399)	(581.11)	(38,371)
Taxes	(925.05)	(61,825)	(1,368.60)	(90,369)
<u>Total taxes</u>	(925.05)	(61,825)	(1,368.60)	(90,369)
<u>Annual result</u>	(52,788.05)	(3,528,037)	(295,466.37)	(19,509,644)

**APPENDIX****2015/16****2014/15**

CHF

CHF

**Information on the principles applied in the financial statements**

The methods used for the financial statements Accounting policies meet the requirements of the Swiss accounting law.

**Participation rights and options for officers and employees**

Neither the current nor the previous year's administrative and management bodies have held or other employees shares and / or options of NIIT Technologies AG.

**Number of employees**

Number FTEs on an annual average

&lt; 50

&lt; 50

**Significant events after the balance sheet date**

After the balance sheet date and until the adoption of the financial statements by the Board of any significant events have occurred that could affect the validity of the financial statements and must be disclosed at this point