AUDIT OF THE
ANNUAL FINANCIAL
STATEMENT

NIIT Technologies GmbH
1070 Wien (Vienna), Kandlgasse 18/49

2012

NIIT Technologies GmbH
31st March 2012
Report about the Audit of the
ANNUAL FINANCIAL STATEMENT
As of 31\textsuperscript{st} March 2012
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To the Board of Directors of the
NIIT Technologies GmbH,
1070 Wien (Vienna), Kandlgasse 18/4/9

We have conducted the audit of the Annual Financial Statement as of 31st March 2012 of

NIIT Technologies GmbH
Vienna

(hereinafter also referred to short as “Company”)

and present the following opinion on the result of this audit:

1. Assignment and Performance of the Audit

The Company, represented by the Board of Directors, has elected us to be the Company’s auditors for the business year 2011/2012 and has entered with us into an audit agreement to perform the audit of the Annual Financial Statement as of 31st March 2012 under inclusion of the bookkeeping in accordance to Sections 269 seqq. UGB [Unternehmensgesetzbuch = Austrian Commercial Code].

The Company is a small company within the meaning of Section 221 UGB.

This audit of the financial statement is a voluntary audit.

The objective of this audit was to examine whether the legal regulations had been observed in the preparation of the financial statement and the accounting and bookkeeping.

We have conducted our audit in accordance with the applicable legal regulations and auditing standards generally accepted in Austria. We note that the audit shall provide reasonable assurance of the correctness of the financial statement. Absolute assurance cannot be obtained, because every accounting and internal control system may have immanent defects, and an examination based on spot checks will always involve the inevitable risk that material misstatements in the financial statement may remain undetected. This audit did not cover areas which are usually subject to special audits.

We have performed the audit, with interruptions, during the period from 27th March 2012 to 10th April 2012. The audit was completed in financial terms at the date of this report.
Responsible for the orderly performance of the assignment is Mag. Helmut Katzenberger, auditor.

Our audit was based on the audit agreement entered into with the Company, which included, as an integral part, the “Allgemeine Auftragsbedingungen für Abschlussprüfungen” (General Conditions of Contract for Audits of Annual Accounts) published by the “Kammer der Wirtschaftstreuhänder” (Chamber of Commercial Trustees) as enclosed hereto. These conditions of contract do not only apply between the Company and the auditor, but also in relation to third parties. With regard to our responsibility and liability as auditors in relation to the Company and to third parties, section 275 UGB (Unternehmensgesetzbuch - Austrian Commercial Code) applies.
2. Itemisations and Explanations on Significant Items in the Annual Financial Statement

All the necessary itemisations and explanations of significant items in the annual financial statement are included in the Annex of the financial statement. We therefore refer to the respective information provided by the board of directors in the annex of the financial statement.
3. Summary of the Audit Result

3.1 Findings on the Lawfulness of the Bookkeeping and the Financial Statement

In the course of the performance of our audit, we found that the legal regulations and the generally accepted accounting principles were complied with.

Within the frame of our audit approach focusing on risks and control, we have – as far as we considered it necessary for the forming of our opinion – included examinations of the internal controls in partial areas of the accounting process.

Regarding the lawfulness of the Annual Financial Statement we refer to the wording of the Audit Certificate.

3.2 Information Provided

The legal representative provided us with the clarifications and evidence we required. We have taken a letter of representation signed by the legal representative on our files.

3.3. Representation on Facts after Section 273 (2, 3) UGB (Exercise of the Duty to Report)

In the course of our audit, we did not find any facts endangering the survival of the audited company or significantly affecting its development, or which would point to serious offences against the law or the articles of association committed by the legal representative(s) or by the employees. We have not found any material weaknesses in the internal controls of the accounting process. Nothing leads us to assume any need to consider reorganisation (according to section 22 paragraph 1 number 1 URG\(^1\)).

\(^1\) URG = Unternehmensreorganisationsgesetz = Business Reorganisation Law
4. Audit Certificate *)

Opinion on the Annual Financial Statement

We have audited the Annual Financial Statement of the

NIIT Technologies GmbH,
Vienna,

For the business year starting 1st April 2011 and ending 31st March 2012, including the bookkeeping. This financial statement includes the Balance Sheet as of 31st March 2012, the Profit and Loss Statement for the year ending 31st March 2012, as well as the Notes.

Responsibilities of the Legal Representative for the Financial Statement and the Bookkeeping

The legal representative of the company is responsible for the bookkeeping as well as for the preparation of the Annual Financial Statement to present fairly, in all material respects, the financial situation of the Company and the results of its operations and its cash flows in accordance with the legal business provisions applicable in Austria. These responsibilities include: the setup, implementation and maintenance of an internal control system, as far as it is significant for the preparation of the Annual Financial Statement and the accurate presentation, in all material respects, of the financial situation of the Company and the results of its operations and its cash flows for these being free of any material misrepresentations based on intentional or unintentional mistakes; the selection and application of suitable balancing and assessment methods; and the making of estimates as they seem appropriate under the existing conditions.

Our responsibilities and liability in relation to the Company is limited to two million Euros pursuant to section 275 paragraph 2 UGB (liability regulation for audits of small or medium-sized companies). The liability for slight negligence is excluded in accordance with the General Conditions of Contracts for Audits of Annual Accounts of 8th March 2000, as amended on 21st February 2011, which this assignment is based on. The limitation of liability which is herewith agreed upon shall also apply in relation to any third party that acts or decides not to act on trust in our opinion based on the voluntary audit of the annual financial statement that we have performed.

Responsibilities of the Auditor and Description of the Type and Extent of the Legally Required Audit

Our responsibility is to present an opinion on this annual financial statement based on our audit. We have conducted our audit under consideration of the legal provisions applicable in Austria. These principles require us to adhere to the professional standards and to plan and conduct the audit in such a way that we can make a reasonable assertion whether the Annual Financial Statement is free from material misstatements.
An audit includes the performance of checks and examinations in order to obtain evidence for the amounts and other information given in the financial statement. The selection of the respective actions and procedures is subject to reasonable discretion of the auditor and is made in consideration of his assessment of the risk that there could be material misrepresentations, be it for intentional or unintentional mistakes. When making this risk assessment, the auditor will take into account the internal control system, as far as it is significant for the preparation of the Annual Financial Statement and the accurate presentation, in all material respects, of the financial situation of the Company and the results of its operations and its cash flows; this assessment is made to select the suitable audit procedures, but not to provide an auditor’s opinion on the effectiveness of the Company’s internal controls. Further, the audit includes an assessment of the appropriateness of the balancing and assessment methods applied and of the material estimates made by the legal representative, as well as an assessment of the overall outcome of the financial statement.

We believe that we have obtained sufficient and suitable evidence and that our audit provides a reasonable basis for our opinion.

Auditors’ Opinion
Our examination has led to no objections. According to our findings in the course of the audit, the Annual Financial Statement complies with the legal regulations and presents fairly, in all material respects, the financial situation of the Company as of 31st March 2012, and the results of its operation and its cash flows for the business year from 1st April 2011 to 31st March 2012, in accordance with accounting principles generally accepted in Austria.”

Vienna, on 10th April 2012

procurator
Treuhand- und Revisionsgesellschaft m.b.H.
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag. Helmut Katzenberger  
Auditor

Mag. Karin Hartmann  
Tax Consultant

*) Publication and distribution of the Financial Report with our audit certificate is permitted in the version we certified only. This audit certificate refers exclusively to the complete Financial Report in the German language. Any other versions are subject to the regulations of s. 281(2) UGB.
ANNEXES
Annual Financial Statement
of
NIIT Technologies GmbH
As of 31st March 2012
Balance Sheet as of 31st March 2012

NIIT Technologies GmbH

**ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>31/03/2012</th>
<th>31/03/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Accounts receivable and other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Trade accounts receivable</td>
<td>9,780.00</td>
<td>9,780.00</td>
</tr>
<tr>
<td>2. Accounts receivable from related companies</td>
<td>12,253.30</td>
<td>-</td>
</tr>
<tr>
<td>3. Other accounts receivable and assets</td>
<td>2,550.81</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>24,584.11</td>
<td>9,780.00</td>
</tr>
<tr>
<td>II. Cash balance, cheques, bank deposits</td>
<td>5,714.40</td>
<td>17,441.61</td>
</tr>
<tr>
<td></td>
<td>30,298.51</td>
<td>27,221.61</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>30,298.51</td>
<td>27,221.61</td>
</tr>
</tbody>
</table>

| **B. Accruals and deferrals** |            |            |
| 1. Other accruals and deferrals | -         | -         |
|                                | 33,272.91 | 3,095,780.75 |
|                                | 60,494.52 | 3,810,404.63 |
|                                | 30,298.51 | 2,056,693.16 |
|                                | 60,494.52 | 3,810,404.63 |
Balance Sheet as of 31st March 2012

NIIT Technologies GmbH

LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>31/03/2012</th>
<th>31/03/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>Rs.</td>
</tr>
<tr>
<td>A. Negative net worth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Nominal capital</td>
<td>35,000.00</td>
<td>2,375,835.00</td>
</tr>
<tr>
<td>II. Balance loss</td>
<td>(33,705.84)</td>
<td>2,287,986.13</td>
</tr>
<tr>
<td>- Thereof losses carried forward - 66,179.09 (€ -86,352.80)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total net worth</td>
<td>1,294.16</td>
<td>87,848.87</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(31,179.09)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1,963,896.05)</td>
</tr>
</tbody>
</table>

B. Provisions

1. Provisions for taxes | 1,313.00 | 89,127.75 |
2. Other provisions     | 15,566.19| 1,056,648.54 |

<table>
<thead>
<tr>
<th></th>
<th>31/03/2012</th>
<th>31/03/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>16,879.19</td>
<td>1,145,776.30</td>
</tr>
<tr>
<td></td>
<td>13,235.72</td>
<td>833,686.24</td>
</tr>
</tbody>
</table>

C. Liabilities

1. Trade accounts payable | 12,125.16 | 823,067.99 |
2. Liabilities to related companies | - | 30,023.31 | 1,891,096.24 |
3. Other liabilities | - | 397.71 | 25,050.80 |

<table>
<thead>
<tr>
<th></th>
<th>31/03/2012</th>
<th>31/03/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>12,125.16</td>
<td>823,067.99</td>
</tr>
<tr>
<td></td>
<td>30,421.02</td>
<td>1,916,147.04</td>
</tr>
<tr>
<td></td>
<td>30,298.51</td>
<td>2,056,693.16</td>
</tr>
<tr>
<td></td>
<td>60,494.52</td>
<td>3,810,404.63</td>
</tr>
</tbody>
</table>

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## Profit and Loss Statement from 01/04/2011 to 31/03/2012

**NIIT Technologies GmbH**

<table>
<thead>
<tr>
<th></th>
<th>Business Year</th>
<th>Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>INR</td>
</tr>
<tr>
<td>1. Sales revenue</td>
<td>72,167.38</td>
<td>4,754,358.13</td>
</tr>
<tr>
<td>2. Other business income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Revenue from release of provisions</td>
<td>1,300.00</td>
<td>85,643.48</td>
</tr>
<tr>
<td>b) Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1,300.00</td>
<td>85,643.48</td>
</tr>
<tr>
<td>3. Expenses for material and other purchased production services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of purchased services</td>
<td>47,923.20</td>
<td>3,157,161.25</td>
</tr>
<tr>
<td>4. Other business expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>14,266.67</td>
<td>939,882.51</td>
</tr>
<tr>
<td>5. Business result</td>
<td>11,277.51</td>
<td>742,957.85</td>
</tr>
<tr>
<td>6. Other interest and similar income</td>
<td>13.26</td>
<td>873.56</td>
</tr>
<tr>
<td>7. Interest and similar liabilities</td>
<td>385.63</td>
<td>25,405.15</td>
</tr>
<tr>
<td>8. Financial result</td>
<td>(372.37)</td>
<td>(24,531.59)</td>
</tr>
<tr>
<td>9. Revenue from ordinary business activities</td>
<td>10,905.14</td>
<td>718,426.26</td>
</tr>
<tr>
<td>10. Extraordinary income</td>
<td>24,000.00</td>
<td>1,581,110.40</td>
</tr>
<tr>
<td>11. Extraordinary result</td>
<td>24,000.00</td>
<td>1,581,110.40</td>
</tr>
<tr>
<td>10. Taxes on income and on earnings</td>
<td>2,431.89</td>
<td>160,211.94</td>
</tr>
<tr>
<td>11. Annual surplus</td>
<td>32,473.25</td>
<td>2,139,324.72</td>
</tr>
<tr>
<td>12. Loss carried forward from previous year</td>
<td>66,179.09</td>
<td>4,168,462.05</td>
</tr>
<tr>
<td>13. Currency Translation Reserve</td>
<td>258,848.80</td>
<td></td>
</tr>
<tr>
<td>13. Balance loss (Transferred to reserve)</td>
<td>33,705.84</td>
<td>2,287,986.13</td>
</tr>
</tbody>
</table>
Notes to the Annual Financial Statement 2011/2012

A) Balancing and Assessment Principles

Balancing, assessment and presentation of individual items within the Annual Financial Statement follow the general provisions of sections 196 and 211 UGB, under consideration of the special regulations for joint-stock companies, as provided for in sections 222 to 235 UGB in its current version.

With invoice of 31st March 2013, the Company has sold its residual business operations to NIIT Technologies GmbH, Germany. The decision for liquidation of the company is still to be made in April 2012; therefore the divesture values have been balanced in this annual financial statement.

1. Fixed Assets

Acquired intangible assets and tangible assets are assessed according to their cost of acquisition or production, and are subjected to linear depreciation over their average useful life, provided they are depreciable.

The rates of linear depreciation are:

Intangible assets 25 %

2. Current Assets

Accounts receivable and other assets are calculated with their nominal value.


Other provisions are made in the amounts corresponding to the probable need, while observing the principle of caution.

4. Liabilities

Liabilities are entered on the liabilities’ side with the probable repayable amount, while observing the principle of caution.

B) Explanations to the Balance Sheet

1. Fixed Assets

The development of the individual fixed assets and the itemisation for the annual depreciation of the individual items are outlined in a compressed manner in the enclosed Table of Assets (Annex 1),
2. Accounts Receivable and Other Assets

Out of accounts receivable from related companies an amount of EUR 12,253.30 is for trade accounts receivable.
The remaining terms of all accounts receivable are less than one year.

3. Other Provisions

Other provisions include mainly precautionary funds for the cost of audits and consultations, as well as pending accounts payable.

4. Liabilities

Out of the liabilities, an amount of Euro 12,125.16 has a term of less than one year, and Euro 0.00 more than 5 years.

C) Explanations to the Profit and Loss Statement

The taxes on income and earnings burden the result from ordinary business activities and the extraordinary result with Euro 2,431.89.

D) Relations to Affiliated Companies

The consolidated financial statement, in which the annual financial statement of the Company will be incorporated, is to be set up by NIIT Technologies Ltd., H9 Mohan Cooperative Industrial Area, Mathura Road, Ground Floor, New Delhi 110 044, India. The consolidated financial statement will be published at the Companies Register in New Delhi as well as on the website www.niit-tech.com.

E) Details on Corporate Bodies and Employees

The average number of employees determined after section 239 paragraph 1 subparagraph 1 UGB was 0 (0) employees, thereof 0 (0) salaried employees and 0 (0) labourers.

The general manager in the year under review was Mr. Thakur Arvind, IND-121009 Faridabad Haryana.

Mr. Raimund Dieterle was the authorised signatory.

Vienna, on 10th April 2012

[Signed]
The General Manager

Thakur Arvind
**TABLE OF ASSETS** According to Section 226(1) UGB as of 31/03/2012

<table>
<thead>
<tr>
<th></th>
<th>Acquisition cost / Production cost</th>
<th>31/03/2012</th>
<th>Accumulated depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>01/04/2011</td>
<td>Additions</td>
<td>Transfers</td>
</tr>
<tr>
<td><strong>I. Intangible assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Data processing programs</td>
<td>1,875.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total intangible assets</strong></td>
<td>1,875.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>II. Tangible assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Other assets, fittings and fixtures</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total tangible assets</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>III. Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Securities (book-entry securities) on fixed assets</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,875.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>